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ABSTRACT

This report is a statistical summary and analysis of the operations of independent colleges and universities in California. It includes data on: enrollment, degrees granted, income, expenditures, assets, capacity for additional enrollment, student characteristics, and faculty salaries and degrees for the period 1964-1969. In analyzing the data, member institutions were grouped with other institutions possessing similar characteristics. (AF)

ED045004

1970

STATISTICAL PROFILE

INDEPENDENT CALIFORNIA COLLEGES AND UNIVERSITIES

A Report to

The Joint Committee on Higher Education

California State Legislature

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PREFACE

This report is a statistical summary and analysis of the operations of independent colleges and universities in California. It includes fiscal and demographic data for the period 1964-69. This current report updates information gathered in a previous study conducted by the Association of Independent California Colleges and Universities (AICCU). That report, entitled "A Statistical Profile of Independent Higher Education in California" was published in August, 1968, and covered the period 1956-67.

Both the current study and the previous study were made possible by support provided by the Joint Legislative Committee on Higher Education. These studies are intended to shed light on the significance of independent institutions to the State of California. Their educational programs as well as their personnel, physical plants, and financial resources are an important asset for California. The State government has a rather direct interest in the enrollment load carried by these institutions and in the size of the load they can carry in the future for if enrollment growth in these institutions is curtailed the result will be even higher educational costs for the State. It follows from this that the State has an interest in the financial condition of independent colleges and universities now and in the future for finances largely determine the quality and extent of the educational services they can provide to citizens of California.

SCOPE

The following types of data are reported in this study: enrollment, degrees granted, income, expenditures, assets, capacity for additional enrollment, student characteristics, and faculty salaries and degrees.

Enrollment information is reported for all AICCU member institutions (there were 50 members when data were collected, now there are 51). Financial information is reported for 46 institutions (the four omitted are relatively small). Other types of information--capacity, student, and faculty--are reported for 40 or more institutions.

In analyzing the data, member institutions were grouped with other institutions possessing similar characteristics. The same six groups established for the 1968 Statistical Profile were retained in this study. The names of the institutions in each group and the basis for assignment are included in Chapter II.

RESPONSIBILITY FOR THE STUDY

The format of the report is based on the study design developed in 1967 by an ad hoc committee of business officers from member institutions including Jack Hartley, Janet Hoit, Larry Hendon, Robert Hervig, and Virgil Wilkinson. Members of this committee and Robert Gilmore, Chairman of the AICCU Committee on Financing of Independent Higher Education, also reviewed the draft of the current report.

Dr. Joseph McCloskey, as a consultant to AICCU, laid out the questionnaire for this study. Dr. Clifford Stewart joined the study mid-way as Director of Research for the Association. He helped pull data together and prepared several parts of the analysis.

Karen Pedersen, Consultant for the Joint Legislative Committee on Higher Education, served as liaison with the Committee and also provided helpful encouragement.

The contributions of all the persons named above are greatly appreciated for they improved the quality of the study. However, the persons responsible for the content of this report are Morgan Odell, Executive Director of AICCU, and Betty Katanick, Staff Secretary and Research Assistant for AICCU.

Chapter I

SUMMARY OF FINDINGS

A quick glance at the data gathered in this study may suggest that the independent colleges and universities of California possess both vigor and good financial health. It is true that enrollment in these institutions has continued to grow at a fairly steady 5% annual rate and that both their income and expenditures have increased substantially each year.

However, a closer look at the data reveals a somewhat different picture. For instance:

Half the AICCU institutions had deficits in their balance sheets in 1968-69, more than in any previous year.

Educational expenditures grew faster than educational income throughout the past five years.

Operating reserves are growing smaller in proportion to educational budgets.

Reduced amounts of money are being put into endowment--increasingly, gifts must be used to meet operating expenses.

Tuition charges have been raised faster than ever before--institutional income from tuition and fees increased an average 9% per student for each of the last five years.

In 1968-69, the figure jumped to 12.5% per student.

Student aid expenditures have increased at a faster rate than expenditures for any other purpose to help needy students meet higher costs and to assure diversity in the student body.

Most institutions now rely on income from tuition to meet two-thirds or more of their educational costs. For all AICCU institutions together, excluding the large universities, the percentage of total income obtained from tuition has increased almost 1% each year for the last decade.

Without question, this trend will continue and even accelerate because the tuition increase has become an annual event for virtually all institutions.

Also the increases for this next year are generally larger amounts than before.

This rapid driving-up of tuition charges has been the only effective response available to independent institutions to meet exploding educational costs, which have advanced an average 14.5% per year, 9% per student per year.

At a basic level this strategy has worked. It has enabled institutions to avoid bankruptcy. But with tuition being raised at a faster rate than the rate of increase in family income, there is a continual shrinking in the pool of students who can afford to attend independent institutions.

If an institution elects to minimize its tuition increases in order to survive, it probably will not have enough income to maintain educational standards and educational quality.

The evidence suggests that this is already happening to some AICCU institutions.

What can be done to assure an adequate pool of students financially able to attend independent colleges and universities?

One method is to grant scholarships to needy students and this is why increasing the number of awards in the California State Scholarship program would appear to be so helpful to both the independent colleges and to the State.

For if these institutions have a sufficient pool of students to draw from they will be able to maintain and increase their enrollment.

Public institutions will be relieved of the task and the cost of educating all additional students.

This study shows that independent institutions have the physical capacity to accommodate additional students. The limiting factor is their financial capacity.

Another method for assuring an adequate pool of potential students is to obtain additional income from sources other than tuition in sufficient amount so that tuition increases can be held to reasonable limits.

Two possible sources of such funds are increased gifts and governmental grants to institutions.

Probably both will be required if independent institutions are to remain independent.

General Financial Condition

Two years ago a prominent consulting firm analyzed the financial condition of independent colleges and universities in California and predicted that financing problems would grow worse each year. Specifically, the study by McKinsey and Company forecast that AICCU institutions would not be able to generate enough income to maintain their programs and also continue a limited rate of enrollment growth.

To a degree the McKinsey projections have been realized during the two subsequent fiscal years. A number of AICCU institutions did not raise enough income to maintain their programs and half the AICCU institutions ended the 1968-69 fiscal year with a deficit, which meant deficits at more institutions than in any previous year. Further, McKinsey was very accurate in its forecast of enrollment growth for the two-year period.

However, probably due to accelerated inflation the McKinsey projections on cost increases turned out to be somewhat low. But fortunately the estimates on income were also low, as indicated by the following figures:

1968-69 Fiscal Year - All AICCU Institutions

	McKinsey Estimates	Actual
Educational Income	$242,600,000	$261,200,000
Educational Expenditures	$244,400,000	$259,900,000

McKinsey said flatly that AICCU institutions would never actually experience the magnitude of deficits projected in its study because, in the absence of sufficient income, institutions would cut back on their programs and thus reduce costs.

How were AICCU institutions able to generate nearly $19 million more in income in 1968-69 than predicted two years earlier?

The answer is found in tuition charges. McKinsey projected a 6% annual increase in tuition income per full-time equivalent student, believing that that was the extent of the increase that could and should be made.

However, the data show that for all AICCU institutions as a group Tuition Income per FTE increased 9% over the previous year in 1967-68 and 12.5% over the previous year in 1968-69.

Income from Other Sources (miscellaneous activities and net from Auxiliary Operations and Sponsored Research) was also higher than anticipated and Gift income was slightly above what was expected. Only income form Investments (Endowment) was below what was anticipated.

But the big increase in income--the reason that most institutions were able to maintain relative financial health--was due to the fact that these institutions were able to increase tuition and fees charges so rapidly.

Many AICCU institutions have been able to advance tuition charges at a rapid rate and still maintain a strong demand for admission on the part of students. But there is no ignoring the fact that these institutions are getting closer to the unknown but yet very real point where they can no longer raise tuition at a faster rate than the increase in family income. That position has already been reached by many independent institutions in other States and by some in California.

Although there is no way to estimate precisely the tuition increase slow-down point for most California independent colleges and universities, one thing is sure: These institutions are shortening the time in which they will reach that point. Two years ago, two-thirds of the AICCU member institutions increased their tuition; last year 80% did; and this year over 90% have announced plans for another increase effective next fall.

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FINANCIAL PROFILE FOR 1968-69 FISCAL YEAR

All AICCU Institutions
McKinsey Projections Compared to Actual Income and Expenditures

Educational Income (in thousands)	Projected	Actual
Tuition and Fees	$123,129	$136,369
Gifts	48,965	51,418
Investment	22,377	20,649
Other	48,113	52,761
	$242,584	$261,197

$18,613,000 more income than anticipated.

Educational Expenditures (in thousands)	Projected	Actual
Administration and General	$ 50,140	$ 56,029
Instruction	131,674	133,089
Student Aid	27,483	32,600
Library and Plant Operations	35,080	38,154
	$244,377	$259,872

$15,495,000 more expenditures than anticipated.

Result: For the 1968-69 fiscal year, for all AICCU institutions together, educational income exceeded educational expenditures by one and one-third million dollars instead of falling short by two million dollars as predicted by McKinsey. However, half of the institutions closed the year with a deficit.

Note: The amounts shown on this page include income and expenditure data for 50 AICCU institutions while the Group Totals on Educational Income and Expenditures shown on page 28 include data for the 43 institutions that supplied full financial information. For this reason the amounts on this page are larger.

Chapter II

ORGANIZATION OF THE STUDY

The types of information collected in this study are basically the same items covered in the Statistical Profile Study of two years ago. However, several new items have been added, namely, year-end fund balances; physical capacity for additional students; student characteristics data including place of residence, ethnic background, and admission test scores by institution; and faculty data on salaries, degrees, and ranks.

In addition, this study contains a new statistical analysis of the State Scholarship Program and offers a method for determining the fiscal capacity of institutions to maintain or add to their enrollment.

GROUPING OF INSTITUTIONS

By retaining the same six institutional groups used in the earlier study we are able to see what has happened to group trends observed two years ago. Only two institutions were moved to a different group for this study.

The following factors determined the assignment of institutions to groups:

1. Type of institution--university, college, or institute
2. Breadth and orientation of curriculum
3. Percentage of graduate students
4. AICCU classification--based on amount of total assets and amount of instructional budget
5. Church affiliation, if any

The assignment factors are elaborated on page 9 and the names of the institutions in each group are listed on page 10.

GROUPING OF INSTITUTIONS

Explanation of basis used in assigning individual institutions to the groups

Group	No. in Group	Type of Institution	Curriculum	Average Percent Graduate Students	AICCU* Classification	Religious Affiliation
I	3	University & Institute	Widely Diversified	52%	18	None
II	7	University	Diversified	35%	9-16	Yes for most in group
III	10	College	Liberal Arts	8%	5-12	No for most
IV	19	College	Liberal Arts	30%	2-8	Yes for almost all
V	7	College	Liberal Arts	19%	1-4	Yes for most
VI	4	College & Institute	Specialized	54%	1-7	None

* AICCU institutions are classified according to a system which places each one on a level from 1 to 18 according to amount of total assets and amount of instructional budget for the institution.

** All the Claremont Colleges are included in this group.

INSTITUTIONS BY GROUP

GROUP I

California Institute of Technology
Stanford University
University of Southern California

GROUP II

Claremont University Center
Loma Linda University
Loyola University
United States International University
University of the Pacific
University of San Francisco
University of Santa Clara

GROUP III

Claremont Men's College
Harvey Mudd College
Mills College
Occidental College
Pacific Union College
Pitzer College
Pomona College
Scripps College
University of Redlands
Whittier College

GROUP IV

Azusa Pacific College
Biola College
California College of Arts and Crafts
California Lutheran College
Chapman College
College of the Holy Names
College of Notre Dame
Dominican College of San Rafael
Immaculate Heart College
La Verne College
Marymount College
Mount Saint Mary's College
Pasadena College
Pepperdine College
St. Mary's College of California
San Francisco College for Women
University of San Diego - College for Men
University of San Diego - College for Women
Westmont College

GROUP V

California Baptist College
Menlo College
Pacific College
Pacific Oaks College
St. John's College
St. Patrick's College
Southern California College

GROUP VI

Golden Gate College
Northrop Institute of Technology
Monterey Institute of Foreign Studies
San Francisco Art Institute

Chapter III

SUMMARY AND ANALYSIS OF DATA

ENROLLMENT

Enrollment in AICCU institutions has continued to grow at a fairly steady rate. Growth in Total Students through the decade of the Sixties averaged just over 5% per year. Increases in the second half of the decade were at a slightly slower rate than during the first half.

On the other hand growth in full-time students was greater in the second half of the decade. During this period there was only a small increase in part-time graduate students and virtually none in part-time undergraduates.

Growth patterns during the last five years differed substantially among the various groups. Group VI, which includes the more specialized institutions, grew at twice the average rate in all measures (Total Students, Full-Time Undergraduates, Full-Time Graduates, and Full-Time-Equivalent students), Group II, the smaller universities, had the second fastest growth in all measures (1-1/2 times the average). At the same time, growth in Group V, the smaller colleges, was below average in all measures. In fact, when the 16 institutions in Group IV and V with less than 700 full-time undergraduate students are considered a group, we see no growth in enrollment during the last five years. Eight of the 16 have fewer students in 1970 than they did in 1965.

The ratio of undergraduate to graduate students was quite stable for all groups except Group VI during the period 1964-65 to 1969-70. Percentage of undergraduates increased by 5% for Group VI; for all groups together it increased by 2% (from 56.6% to 58.6%).

Ratio of Full-Time to Part-Time students increased for each of the groups during the period except Group V where it declined slightly. Overall, the change was from 71% to 75%.

ANNUAL ENROLLMENT GROWTH IN PERCENTAGES
FOR ALL AICCU INSTITUTIONS AND FOR THE SIX GROUPS
OF INSTITUTIONS DURING VARIOUS TIME PERIODS

	5-Year Average Growth 59-64	5-Year Average Growth 64-69	1-Year Growth 67-68 to 68-69	1-Year Growth 68-69 to 69-70	Number 1969-70
Total Students					
All Groups	5.6	4.6	5.9	4.8	104,437
Group I	3.8	1.3	2.8	2.4	33,979
II	7.3	7.0	5.6	10.8	28,031
III	3.5	4.7	4.4	4.9	12,393
IV	9.1	6.5	11.7	0.0	20,635
V	9.2	4.5	4.6	-0.5	2,787
VI	N/A	9.2	11.1	10.1	6,653
Full-Time Under-Graduates					
All Groups	4.2	4.9	1.9	7.2	61,203
Group I	2.1	1.6	-4.4	8.5	14,866
II	4.0	7.0	2.7	8.9	15,140
III	3.8	5.0	4.0	5.2	11,454
IV	7.6	5.1	4.1	5.5	14,427
V	8.2	4.7	6.6	-1.3	2,267
VI	N/A	12.9	3.9	9.6	3,049
Full-Time Graduates					
All Groups	8.7	9.4	-3.9	7.4	11,303
Group I	4.2	5.5	-6.6	5.3	7,059
II	4.0	19.5	14.1	1.8	2,008
III	4.8	10.4	10.4	3.4	286
IV	5.2	14.1	-17.4	32.4	1,162
V	9.5	1.7	0.5	3.2	226
VI	N/A	74.0	18.3	22.7	562
FTE					
All Groups	N/A	5.2	4.2	6.1	91,065
Group I	N/A	1.9	0.4	4.9	29,895
II	N/A	7.6	5.4	10.2	23,646
III	N/A	5.0	4.5	5.1	12,038
IV	N/A	6.6	7.5	4.4	17,683
V	N/A	4.7	6.6	-3.2	2,577
VI	N/A	12.5	8.6	9.8	5,226

ENROLLMENT PERCENTAGES:
UNDERGRADUATE, GRADUATE, AND FULL-TIME

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70
Total Groups						
Undergraduate	56.6	58.1	58.8	59.4	57.2	58.6
Graduate	43.4	41.9	41.2	40.6	42.8	41.4
Full-Time	71.3	73.1	75.2	76.6	73.5	75.3
Group I						
Undergraduate	47.6	47.2	47.0	46.7	47.1	48.2
Graduate	52.4	52.8	53.0	53.3	52.9	51.8
Full-Time	64.8	66.4	69.5	72.8	68.6	72.0
Group II						
Undergraduate	65.2	66.1	69.2	64.8	63.1	64.7
Graduate	34.8	33.9	30.8	35.2	36.9	35.3
Full-Time	71.6	74.3	78.3	74.8	74.1	73.0
Group III						
Undergraduate	91.4	91.3	91.5	92.5	92.2	92.4
Graduate	8.6	8.7	8.5	7.5	7.8	7.6
Full-Time	93.3	93.4	93.7	94.7	94.6	94.7
Group IV						
Undergraduate	69.8	70.8	71.3	71.0	66.2	69.9
Graduate	30.2	29.2	28.7	29.0	33.8	30.1
Full-Time	73.1	75.3	76.1	76.7	70.4	75.6
Group V						
Undergraduate	81.5	82.8	83.0	80.7	82.1	81.3
Graduate	18.5	17.2	17.0	19.3	17.9	18.7
Full-Time	90.1	91.4	91.6	88.8	89.8	89.4
Group VI						
Undergraduate	40.4	40.8	50.3	49.2	46.0	45.9
Graduates	59.6	59.2	49.7	50.8	54.0	54.1
Full-Time	41.3	42.3	53.9	56.3	53.5	54.3

ENROLLMENT DATA

GROUP TOTAL

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	AVERAGE ANNUAL INCREASE (%)
UNDERGRADUATES							
Full-Time	47,126	50,960	53,799	56,041	57,100	61,203	5.4
Part-Time	8,980	8,279	8,171	7,647	9,797	8,996	0.0
Total	56,106	59,239	61,970	63,688	66,897	70,199	4.6
FTE	50,638	54,441	57,253	59,210	61,289	65,014	5.1
GRADUATE STUDENTS							
Full-Time	7,337	8,245	9,435	10,732	10,517	11,303	9.0
Part-Time	14,945	15,317	14,495	14,406	16,708	16,760	2.3
Total	22,282	23,562	23,930	25,138	27,225	28,063	4.7
FTE	14,714	15,636	16,700	17,779	18,904	19,928	6.2
PROFESSIONAL							
Medicine	813	819	877	907	953	1,027	4.7
Dentistry	826	832	931	935	927	1,066	5.2
Law	2,852	3,075	3,290	3,178	3,399	3,634	4.9
Pharmacy	428	314	403	398	401	448	0.8
Total	4,919	5,040	5,501	5,418	5,680	6,175	4.6
GRAND TOTAL	83,307	87,841	91,401	94,244	99,802	104,437	4.6
TOTAL FTE	70,168	75,014	79,414	82,365	85,839	91,065	5.4

ENROLLMENT DATA

GROUP I

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	AVERAGE ANNUAL INCREASE (%)
UNDERGRADUATES							
Full-Time	12,842	13,095	13,534	14,209	13,705	14,866	3.0
Part-Time	2,170	1,851	1,616	949	1,944	1,498	-5.4
Totai	15,012	14,946	15,150	15,158	15,649	16,364	1.7
FTE	13,710	13,835	14,180	14,589	14,483	15,465	2.5
GRADUATE STUDENTS							
Full-Time	5,416	5,749	6,346	7,091	6,708	7,059	5.4
Part-Time	8,913	8,805	8,215	7,872	8,505	7,997	-1.9
Total	14,329	14,554	14,561	14,963	15,213	15,056	1.0
FTE	10,450	10,592	11,101	11,569	11,701	11,912	2.7
PROFESSIONAL							
Medicine	503	504	557	582	598	640	4.9
Dentistry	356	347	426	420	396	478	6.0
Law	941	1,015	1,100	846	958	952	0.0
Pharmacy	428	314	403	398	401	448	1.0
Total	2,228	2,180	2,486	2,246	2,353	2,518	2.5
GRAND TOTAL	31,569	31,680	32,197	32,367	33,215	33,938	1.4
TOTAL FTE	26,388	26,607	27,767	28,404	28,537	29,895	2.5

ENROLLMENT DATA

GROUP II

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	AVERAGE ANNUAL INCREASE (%)
UNDERGRADUATES							
Full-Time	10,491	12,039	12,713	13,411	13,767	15,140	7.6
Part-Time	2,086	1,985	2,228	2,138	2,191	2,970	7.3
Total	12,577	14,024	14,941	15,549	15,958	18,110	7.6
FTE	11,336	13,026	13,825	14,310	14,728	16,313	7.6
GRADUATE STUDENTS							
Full-Time	969	1,238	1,572	1,733	1,978	2,008	15.7
Part-Time	3,421	3,464	3,441	3,897	4,376	4,596	6.0
Total	4,390	4,702	5,013	5,630	6,354	6,604	8.4
FTE	2,356	2,571	2,944	3,250	3,752	4,016	11.2
PROFESSIONAL							
Medicine	310	315	320	325	355	387	4.6
Dentistry	470	485	505	515	531	588	4.6
Law	1,541	1,697	1,800	1,950	2,101	2,342	8.7
Pharmacy							
Total	2,321	2,497	2,625	2,790	2,987	3,317	7.4
GRAND TOTAL	19,288	21,223	21,579	23,969	25,299	28,031	7.9
TOTAL FTE	16,013	18,094	19,394	20,350	21,467	23,646	8.2

ENROLLMENT DATA **GROUP** III

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	AVERAGE ANNUAL INCREASE (%)
UNDERGRADUATES							
Full-Time	8,974	9,521	10,032	10,462	10,885	11,454	5.1
Part-Time	328	339	324	312	322	319	0.0
Total	9,302	9,860	10,356	10,774	11,207	11,773	4.9
FTE	9,105	9,659	10,155	10,593	11,047	11,621	5.1
GRADUATE STUDENTS							
Full-Time	186	223	250	250	276	286	9.0
Part-Time	334	345	366	289	325	334	0.0
Total	520	568	616	539	601	620	3.5
FTE	319	361	398	366	406	417	5.5
PROFESSIONAL							
Medicine							
Dentistry							
Law							
Pharmacy							
Total							
GRAND TOTAL	9,822	10,428	10,972	11,313	11,808	12,393	4.7
TOTAL FTE	9,424	10,020	10,553	10,959	11,453	12,038	5.1

ENROLLMENT DATA **GROUP** IV

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	AVERAGE ANNUAL INCREASE (%)
UNDERGRADUATES							
Full-Time	11,197	12,392	12,870	13,127	13,664	14,427	5.2
Part-Time	2,431	2,313	2,264	2,273	3,113	2,016	-3.9
Total	13,628	14,705	15,134	15,400	16,777	16,443	3.9
FTE	12,002	13,152	13,560	13,938	14,838	15,277	4.9
GRADUATE STUDENTS							
Full-Time	518	758	869	1,053	878	1,162	17.5
Part-Time	1,887	2,015	2,052	2,027	2,981	3,030	10.0
Total	2,405	2,773	2,921	3,080	3,859	4,192	11.6
FTE	1,151	1,522	1,657	1,833	2,119	2,406	15.9
PROFESSIONAL							
Medicine							
Dentistry							
Law							
Pharmacy							
Total							
GRAND TOTAL	16,033	17,478	18,055	18,480	20,636	20,635	5.2
TOTAL FTE	13,153	14,674	15,217	15,771	16,957	17,683	6.0

ENROLLMENT DATA **GROUP V**

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	AVERAGE ANNUAL INCREASE (%)
UNDERGRADUATES							
Full-Time	1,912	2,055	2,099	2,156	2,298	2,267	3.5
Part-Time	221	200	200	290	240	243	1.9
Total	2,133	2,255	2,299	2,446	2,538	2,510	3.4
FTE	2,009	2,170	2,207	2,278	2,430	2,334	3.0
GRADUATE STUDENTS							
Full-Time	204	209	217	218	219	226	2.1
Part-Time	11	17	11	12	43	51	35.9
Total	215	226	228	230	262	277	5.1
FTE	208	216	221	223	237	243	3.4
PROFESSIONAL							
Medicine							
Dentistry							
Law							
Pharmacy							
Total							
GRAND TOTAL	2,348	2,481	2,527	2,676	2,800	2,787	3.5
TOTAL FTE	2,217	2,386	2,428	2,501	2,667	2,577	3.0

ENROLLMENT DATA **GROUP** VI

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	AVERAGE ANNUAL INCREASE (%)
UNDERGRADUATES							
Full-Time	1,710	1,858	2,551	2,676	2,781	3,049	12.2
Part-Time	1,744	1,591	1,539	1,685	1,987	1,950	2.3
Total	3,454	3,449	4,090	4,361	4,768	4,999	7.9
FTE	2,476	2,599	3,326	3,502	3,763	4,004	10.1
GRADUATE STUDENTS							
Full-Time	44	68	181	387	458	562	74.0
Part-Time	379	671	410	309	478	752	14.6
Total	423	739	591	696	936	1,314	25.5
FTE	230	374	379	538	689	934	32.4
PROFESSIONAL							
Medicine							
Dentistry							
Law	370	363	390	382	340	340	-1.6
Pharmacy							
Total FTE	267	260	350	340	306	288	1.6
GRAND TOTAL	4,247	4,551	5,071	5,439	6,044	6,653	9.4
TOTAL FTE	2,973	3,233	4,055	4,380	4,758	5,226	11.9

EDUCATIONAL INCOME AND EDUCATIONAL EXPENDITURES

Educational Income is defined as Operating Income less Expenditures for Auxiliary Enterprises and Sponsored Research. Thus Educational Income is the money available for the on-going instructional work of an institution and the activities necessary to support instruction.

Educational Expenditures is defined as the funds spent for these purposes. Of course, in some years Educational Expenditures may exceed Educational Income.

The average annual rate of increase in Educational Income for all groups together was close to 14% throughout the decade. During most years Group II was several percentage points ahead of this figure primarily because its enrollment grew at a faster rate than other groups while Group III was consistently below for the opposite reason. Most of the groups maintained a fairly even growth rate throughout the decade.

The income source which grew at the fastest rate was income from Tuition and Fees, accelerating to an increase of over 17% for the Total Groups in the year between 1967-68 and 1968-69. Gift Income and Other Income also grew at a favorable rate, around 10% or more for all groups for most of the years of the decade. However, growth in Investment income was at a lesser rate, with a very sharp drop during the last year covered by the study.

Educational Expenditures, year-to-year, were also quite even for each of the groups. Again Group II was somewhat above the average growth rate and Group III somewhat below, for the reasons previously cited. Student Aid expenditures grew faster than expenditures for any other purpose. Expenditures for Administration and General expenses also increased at a somewhat faster rate than Total Educational Expenditures while Other Expenses and Instructional Expenses increased at a slightly slower rate.

ANNUAL PERCENTAGE OF INCREASE IN EDUCATIONAL INCOME FOR ALL AICCU INSTITUTIONS AND FOR THE SIX GROUPS OF INSTITUTIONS DURING VARIOUS TIME PERIODS

	5-Year Average Growth 59-64	5-Year Average Growth 64-69	1-Year Growth 66-67 67-68	1-Year Growth 67-68 68-69
Total Educational Income				
All Groups	14.0	14.0	12.8	13.1
Group I	14.7	13.5	12.5	12.5
II	13.4	18.2	19.7	18.4
III	10.3	7.8	5.8	8.3
IV	16.2	15.7	11.4	12.1
V	12.7	13.5	5.3	13.8
VI	N/A	15.2	19.5	15.3
Tuition and Fees				
All Groups	13.1	14.9	13.3	17.2
Group I	12.1	12.2	9.4	17.3
II	14.8	18.9	20.9	18.6
III	9.4	11.5	9.4	11.2
IV	20.3	19.2	16.0	20.1
V	15.2	16.7	13.1	12.8
VI	N/A	15.1	15.2	19.3
Gifts				
All Groups	14.7	10.7	10.3	11.9
Group I	7.5	11.2	11.3	15.2
II	11.2	17.4	24.2	20.2
III	10.7	-1.2	-3.1	-2.1
IV	14.8	11.3	4.9	0.3
V	12.3	12.2	-12.5	12.1
VI	N/A	28.4	26.3	36.9
Investment				
All Groups	7.4	7.8	8.3	0.8
Group I	7.5	6.8	10.4	-1.6
II	8.0	14.0	-13.5	19.0
III	7.1	9.6	9.7	3.6
IV	9.9	-1.2	0.0	-7.7
V	3.3	25.0	20.3	51.6
VI	N/A	16.2	3.0	20.6
Other				
All Groups	19.5	18.1	16.3	9.4
Group I	22.4	20.4	18.3	10.7
II	13.9	14.9	17.5	11.7
III	19.7	1.7	-14.9	33.7
IV	5.8	8.8	4.9	-4.1
V	13.2	2.2	-10.3	11.4
VI	N/A	0.5	89.9	-53.6

ANNUAL PERCENTAGE OF INCREASE IN EDUCATIONAL EXPENDITURES
FOR ALL AICCU INSTITUTIONS AND FOR THE SIX GROUPS
OF INSTITUTIONS DURING VARIOUS TIME PERIODS

	5-Year Average Growth 59-64	5-Year Average Growth 64-69	1-Year Growth 66-67 67-68	1-Year Growth 67-68 68-69
Total Educational Expenditures				
All Groups	13.9	14.5	13.3	13.4
Group I	14.7	13.4	12.9	12.1
II	12.3	17.7	20.6	19.2
III	9.7	12.3	8.4	10.9
IV	17.1	16.6	9.7	13.3
V	12.6	18.8	13.7	14.1
VI	N/A	20.0	14.5	19.8
Administration and General				
All Groups	13.3	15.9	13.8	16.2
Group I	13.3	12.5	11.3	10.9
II	12.7	21.0	30.3	24.7
III	10.4	14.6	3.4	12.3
IV	16.9	16.5	6.0	18.5
V	14.7	20.2	15.8	15.4
VI	N/A	28.7	36.4	19.7
Instruction				
All Groups	14.4	13.0	10.8	12.0
Group I	15.1	11.6	8.5	11.6
II	12.6	16.5	19.6	16.0
III	9.5	11.6	11.1	8.4
IV	10.0	17.6	13.0	11.4
V	15.0	18.1	13.6	9.3
VI	N/A	16.2	3.9	15.4
Student Aid				
All Groups	15.7	19.9	26.4	13.3
Group I	17.4	21.2	35.1	10.2
II	17.7	18.9	10.3	24.5
III	7.0	15.7	14.3	14.8
IV	14.6	16.2	9.2	13.9
V	34.8	38.7	39.7	22.1
VI	N/A	50.5	46.4	37.0
Other				
All Groups	11.6	13.9	11.3	15.7
Group I	12.5	14.5	13.4	17.6
II	9.8	15.2	14.9	15.2
III	10.3	9.5	5.9	13.5
IV	13.1	14.7	6.7	8.4
V	4.8	10.5	-1.9	20.4
VI	N/A	11.6	0.2	32.6

EDUCATIONAL INCOME AND EXPENDITURES PER FTE

Total Educational Income varies with changes in enrollment. The gross Educational Income figures do not take into account differences in enrollment growth among institutions or differences in rate of growth from year-to-year at the same institution.

A more accurate understanding of income and expenditures trends may be gained by use of per FTE (full-time equivalent enrollment) figures. Such figures eliminate the effects of varying enrollment and thus reveal critical differences in income and expenditures.

Examination of income per FTE data show Total Income for the Total Groups ranging narrowly between an increase of 8.5% and 9.0% each year in the decade. Income from Tuition and Fees for all groups together increased at a slightly higher rate through the period and so did income from Other Sources. However, only Group I institutions received substantial amounts from Other Sources.

Gift income per FTE increased about as rapidly as Total income per FTE for Group I and Group II. The rate of increase in Gifts was much less for Groups III, IV, and V, with dollar income from Gifts actually declining for Group III during the period 1964-69.

Investment income per FTE increased less than half as fast as Total income for all groups together.

Two specific items deserve mention:

During the final year covered by the study there was a sharp upswing for the Total Groups in Tuition and Fees Income per FTE (from 9.0% to 12.5%). Yet the increase in Total income per FTE for the last year was about the same as the five year average. This meant that the substantial increase in Tuition and Fees income was matched by a corresponding decline in Investment income and in Other income.

Another notable development was the drastically reduced increase in Educational income for Groups IV and V during the last year. The increase rate for the final year was about one-third that of the four previous years. The problem for Group IV was that the amount of dollar income from Investment and Other Sources was less than for the previous year while Gift dollar income

remained about the same. Only Tuition and Fees income increased at the rate of previous years. The problem of Group V was that increases in both Tuition income and Gift income were less than 2% over the previous year against the approximate 8% to 9% increase in income needed to maintain educational programs at the same level.

Total Educational Expenditures per FTE grew at a faster rate than Educational income per FTE for the Total Groups and for all but Groups I and II during the five year period, 1964-69. Evidence of an increasing negative trend is the fact that in the last year covered by the study no group experienced a greater increase in Total income per FTE than in Total Expenditures per FTE.

Expenditures for the Total Groups for Administration and General purposes increased at a slightly faster rate than Total Expenditures per FTE during the 1964-69 period. This was also true for each of the groups except Groups I and IV. Interestingly, the dollar amount per FTE spent for Administration and General was much the same for all groups except Group VI, which spent substantially less.

The greatest increase in expenditures was in Student Aid; the growth rate in Student Aid Expenditures exceeded growth in Total Expenditures for all groups except Group IV where it was slightly slower. There was, however, a rather wide range among the groups in dollar expenditures per student.

The largest differences in dollar expenditures among groups was in expenditures for Instruction, although the rate of increase during the five year period was about the same for all groups but Group VI, which was slower. Here, Group I, partly because of a much higher percentage of graduate enrollment, had much the highest expenditures. In the last year reported by the study Groups IV and V fell substantially below their average rate of increase in Instructional Expenditures per student. In fact Group V expended fewer dollars per student in 1968-69 than in the previous year.

ANNUAL PERCENTAGE OF INCREASE IN EDUCATIONAL INCOME PER FTE
FOR ALL AICCU INSTITUTIONS AND FOR THE SIX GROUPS
OF INSTITUTIONS DURING VARIOUS TIME PERIODS

	5-Year Average Growth 64-69	1-Year Growth 66-67 to 67-68	1-Year Growth 67-68 to 68-69	Amount 68-69 (in dollars)
Total Educational Income Per FTE				
All Groups	8.2	8.9	8.6	3,101
Group I	11.5	11.3	12.4	4,910
II	9.8	14.1	12.2	2,175
III	3.1	1.5	4.9	2,821
IV	7.8	6.9	2.7	1,986
V	6.0	2.8	1.5	1,903
VI	2.5	10.6	5.9	1,156
Tuition and Fees Per FTE				
All Groups	9.0	9.0	12.5	1,612
Group I	10.2	7.1	17.2	1,913
II	10.5	15.1	12.3	1,523
III	6.7	5.1	7.7	1,779
IV	11.0	11.4	10.3	1,313
V	9.0	10.6	1.9	1,210
VI	2.2	6.7	9.7	997
Gifts Per FTE				
All Groups	5.2	6.1	7.4	609
Group I	9.2	8.9	15.0	972
II	9.2	18.6	13.9	434
III	-4.7	-7.1	-5.1	496
IV	3.6	0.9	-8.1	445
V	4.9	-14.3	1.2	316
VI	14.0	16.6	25.0	105
Investment Per FTE				
All Groups	2.5	4.5	-3.6	246
Group I	4.9	8.1	-2.0	499
II	5.8	-18.3	13.1	69
III	4.9	5.1	0.0	416
IV	-6.6	-6.3	-14.7	12
V	16.6	17.8	36.9	100
VI	3.1	0.0	6.1	17
Other Per FTE				
All Groups	12.1	12.0	4.9	634
Group I	18.2	15.6	10.5	1,526
II	6.8	12.0	6.4	149
III	-2.4	-18.1	30.0	130
IV	1.0	0.9	-12.5	216
V	-3.8	-5.9	-8.6	277
VI	-8.0	76.5	-55.0	37

ANNUAL PERCENTAGE OF INCREASE IN EDUCATIONAL EXPENDITURES PER FTE FOR ALL AICCU INSTITUTIONS AND FOR THE SIX GROUPS OF INSTITUTIONS DURING VARIOUS TIME PERIODS

	5-Year Average Growth 64-69	1-Year Growth 66-67 to 67-68	1-Year Growth 67-68 to 68-69	Amount 68-69 (in dollars)
Total Educational Expenditures Per FTE				
All Groups	8.8	9.0	9.0	3,079
Group I	11.5	10.1	12.4	4,865
II	9.4	14.9	12.9	2,183
III	7.4	4.1	7.5	2,777
IV	8.6	5.3	3.7	2,007
V	11.0	11.1	3.1	1,673
VI	6.6	5.7	10.1	1,093
Administration and General Per FTE				
All Groups	10.3	9.6	11.5	660
Group I	10.5	8.9	10.9	701
II	12.5	24.4	18.1	651
III	9.4	-0.9	8.9	753
IV	8.4	1.9	8.6	622
V	12.3	13.3	4.2	629
VI	14.4	26.3	10.1	398
Instruction Per FTE				
All Groups	7.4	6.7	7.5	1,580
Group I	9.5	6.1	11.5	2,759
II	8.0	13.9	10.1	956
III	6.8	6.8	4.9	1,248
IV	9.6	8.4	1.9	922
V	9.6	11.1	-1.1	653
VI	3.3	-3.2	6.4	513
Student Aid				
All Groups	14.0	21.5	8.8	387
Group I	19.0	31.9	10.3	719
II	10.5	5.8	17.5	228
III	10.7	9.8	11.0	301
IV	8.0	5.2	3.7	189
V	29.5	36.3	10.3	149
VI	34.3	30.3	30.0	39
Other Per FTE				
All Groups	8.2	7.1	11.0	452
Group I	12.3	10.8	17.5	686
II	7.0	9.4	9.4	348
III	4.9	1.9	1.9	475
IV	7.0	2.8	-0.8	274
V	-9.7	-3.9	9.0	242
VI	-0.7	-7.1	21.1	143

EDUCATIONAL INCOME AND EXPENDITURE DATA – (000's) (Per FTE figures in dollars) **GROUP** TOTAL

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
INCOME						
Tuition & Fees	75,803	89,557	99,333	112,541	131,946	14.9
Per FTE	1,137	1,256	1,313	1,433	1,612	9.0
Gifts & Grants	33,145	39,551	40,405	44,550	49,872	10.7
Per FTE	497	554	534	567	609	5.2
Investment Income	14,836	15,888	18,466	19,996	20,164	7.8
Per FTE	222	223	244	255	246	2.5
Other	26,631	30,251	40,764	47,422	51,894	18.1
Per FTE	399	424	539	604	634	12.1
Total	150,415	175,247	198,968	224,509	253,876	14.0
Per FTE	2,255	2,437	2,630	2,859	3,101	8.2
EXPENDITURES						
Administration & General	29,681	34,344	40,833	46,478	54,005	15.9
Per FTE	445	481	540	592	660	10.3
Instruction	78,964	89,703	104,246	115,465	129,310	13.0
Per FTE	1,184	1,257	1,378	1,470	1,580	7.4
Library & Plant Operations	21,959	24,939	28,725	31,994	37,025	13.9
Per FTE	329	350	380	407	452	8.2
Student Aid	15,292	18,585	22,172	27,991	31,716	19.9
Per FTE	229	260	293	356	387	14.0
Total	145,896	167,571	195,976	221,928	252,056	14.5
Per FTE	2,187	2,348	2,591	2,825	3,079	8.8

EDUCATIONAL INCOME AND EXPENDITURE DATA – (000's) (Per FTE figures in dollars)

GROUP I

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
Tuition & Fees	34,234	40,785	42,386	46,383	54,397	12.2
Per FTE	1,297	1,533	1,526	1,633	1,913	10.2
Gifts & Grants	18,037	20,832	21,548	23,991	27,642	11.2
Per FTE	683	783	776	845	972	9.2
Investment Income	10,843	11,586	13,086	14,448	14,195	6.8
Per FTE	411	435	471	509	499	4.9
Other	20,629	23,257	33,183	39,253	43,405	20.4
Per FTE	782	874	1,195	1,381	1,526	18.2
Total	83,743	96,460	110,203	124,075	139,639	13.5
Per FTE	3,173	3,625	3,968	4,368	4,910	11.5
EXPENDITURES						
Administration & General	12,374	14,134	16,141	17,958	19,921	12.5
Per FTE	469	531	581	632	701	10.5
Instruction	50,411	56,527	64,831	70,319	78,464	11.6
Per FTE	1,910	2,125	2,334	2,476	2,759	9.5
Library & Plant Operations	11,329	12,862	14,634	16,592	19,518	14.5
Per FTE	429	483	527	584	686	12.3
Student Aid	9,456	11,698	13,710	18,522	20,453	21.2
Per FTE	358	440	494	652	719	19.0
Total	83,570	95,221	109,316	123,391	138,356	13.4
Per FTE	3,166	3,579	3,936	4,344	4,865	11.3

EDUCATIONAL INCOME AND EXPENDITURE DATA – (ooo's) (Per FTE Figures in Dollars) GROUP II

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
Tuition & Fees	16,316	19,219	22,840	27,590	32,700	18.9
Per FTE	1,019	1,062	1,178	1,356	1,523	10.5
Gifts & Grants	4,882	5,302	6,233	7,745	9,310	17.4
Per FTE	305	278	321	381	434	9.2
Investment Income	880	945	1,447	1,252	1,490	14.0
Per FTE	55	49	75	61	69	5.8
Other	1,822	2,342	2,432	2,856	3,186	14.9
Per FTE	114	128	125	140	149	6.8
Total	23,900	27,808	32,952	39,443	46,686	18.2
Per FTE	1,493	1,537	1,699	1,938	2,175	9.8
EXPENDITURES						
Administration & General	6,509	7,261	8,600	11,207	13,980	21.0
Per FTE	406	401	443	551	651	12.5
Instruction	11,193	12,495	14,793	17,687	20,524	16.5
Per FTE	699	691	763	869	956	8.0
Library & Plant Operations	4,228	4,756	5,641	6,479	7,465	15.2
Per FTE	264	263	291	318	348	7.0
Student Aid	2,443	2,780	3,571	3,940	4,902	18.9
Per FTE	153	154	184	194	228	10.5
Total	24,373	27,292	32,605	39,313	46,871	17.7
Per FTE	1,522	1,509	1,681	1,932	2,183	9.4

EDUCATIONAL INCOME AND EXPENDITURE DATA – (000's) (Per FTE Figures in Dollars) GROUP III

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
Tuition & Fees	11,231	12,682	14,255	15,603	17,352	11.5
Per FTE	1,374	1,464	1,571	1,651	1,779	6.6
Gifts & Grants	5,112	7,000	5,104	4,941	4,841	-1.2
Per FTE	626	808	563	523	496	-4.7
Investment Income	2,803	3,007	3,579	3,924	4,060	9.6
Per FTE	343	347	395	415	416	4.9
Other	1,182	1,338	1,113	949	1,269	1.7
Per FTE	145	155	123	100	130	-2.4
Total	20,328	24,027	24,051	25,417	27,522	7.8
Per FTE	2,488	2,774	2,652	2,689	2,821	3.1
EXPENDITURES						
Administration & General	4,277	5,246	6,327	6,542	7,346	14.6
Per FTE	523	606	697	692	753	9.4
Instruction	7,834	9,141	10,105	11,232	12,178	11.6
Per FTE	959	1,056	1,114	1,189	1,248	6.8
Library & Plant Operations	3,205	3,430	3,850	4,078	4,630	9.5
Per FTE	392	396	424	432	475	4.9
Student Aid	1,636	1,969	2,237	2,557	2,934	15.7
Per FTE	200	227	247	271	301	10.7
Total	16,952	19,786	22,519	24,409	27,088	12.3
Per FTE	2,074	2,285	2,482	2,584	2,777	7.4

EDUCATIONAL INCOME AND EXPENDITURE DATA – (000's) (Per FTE Figures in Dollars) GROUP IV

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
Tuition & Fees	10,386	12,680	15,035	17,443	21,010	19.2
Per FTE	862	935	1,068	1,190	1,313	11.0
Gifts & Grants	4,643	5,696	6,766	7,101	7,123	11.3
Per FTE	385	420	481	484	445	3.6
Investment Income	206	230	209	209	193	-1.2
Per FTE	17	17	15	14	12	-6.6
Other	2,461	2,786	3,434	3,605	3,459	8.8
Per FTE	204	205	244	246	216	1.0
Total	17,696	21,392	25,444	28,358	31,785	15.7
Per FTE	1,468	1,577	1,808	1,934	1,986	7.8
EXPENDITURES						
Administration & General	5,398	6,329	7,928	8,405	9,960	16.5
Per FTE	448	467	563	573	622	8.4
Instruction	7,705	9,411	11,725	13,251	14,761	17.6
Per FTE	639	694	833	904	922	9.5
Library & Plant Operations	2,524	3,243	3,792	4,041	4,381	14.7
Per FTE	209	239	269	276	274	7.0
Student Aid	1,663	1,995	2,436	2,661	3,027	16.2
Per FTE	138	147	173	182	189	8.0
Total	17,290	20,978	25,881	28,358	32,129	16.6
Per FTE	1,434	1,547	1,838	1,935	2,007	8.6

EDUCATIONAL INCOME AND EXPENDITURE DATA – (000's) (Per FTE Figures in Dollars) GROUP V

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
Tuition & Fees	938	1,119	1,366	1,545	1,743	16.7
Per FTE	854	930	1,073	1,187	1,210	9.0
Gifts & Grants	287	549	464	406	455	12.2
Per FTE	261	456	365	312	316	4.9
Investment Income	59	67	79	95	144	25.0
Per FTE	54	56	62	73	100	16.6
Other	365	387	410	395	399	2.2
Per FTE	332	322	322	303	277	-3.8
Total	1,649	2,122	2,319	2,441	2,741	13.5
Per FTE	1,501	1,764	1,822	1,875	1,903	6.0
EXPENDITURES						
Administration & General	433	527	679	786	906	20.2
Per FTE	394	438	533	604	629	12.3
Instruction	483	623	758	861	941	18.1
Per FTE	452	518	595	661	653	9.6
Library & Plant Operations	233	281	294	289	348	10.5
Per FTE	212	234	231	222	242	-9.7
Student Aid	58	87	126	176	215	38.7
Per FTE	53	72	99	135	149	29.5
Total	1,207	1,518	1,857	2,112	2,410	18.8
Per FTE	1,099	1,262	1,458	1,622	1,673	11.0

EDUCATIONAL INCOME AND EXPENDITURE DATA – (000's) (Per FTE Figures in Dollars) GROUP VI

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
Tuition & Fees	2,698	3,072	3,451	3,977	4,744	15.1
Per FTE	907	950	851	908	997	2.2
Gifts & Grants	184	172	290	366	501	28.4
Per FTE	62	53	72	84	105	14.0
Investment Income	45	53	66	68	82	16.2
Per FTE	15	16	16	16	17	3.2
Other	172	141	192	364	176	0.5
Per FTE	58	44	47	83	37	-8.0
Total	3,099	3,438	3,999	4,775	5,503	15.2
Per FTE	1,042	1,063	986	1,091	1,156	2.5
EXPENDITURES						
Administration & General	690	847	1,158	1,580	1,892	28.7
Per FTE	232	262	286	361	398	14.4
Instruction	1,338	1,506	2,034	2,115	2,442	16.2
Per FTE	450	466	502	483	513	3.3
Library & Plant Operations	440	367	514	515	683	11.6
Per FTE	148	113	127	118	143	-0.7
Student Aid	36	56	92	135	185	50.5
Per FTE	12	17	23	30	39	34.3
Total	2,504	2,776	3,798	4,345	5,202	20.0
Per FTE	842	858	938	992	1,093	6.6

PERCENTAGE OF INCOME FROM VARIOUS SOURCES
PERCENTAGE OF EXPENDITURES FOR VARIOUS PURPOSES

The trends and developments previously identified are reflected in the figures for the five year period showing percentage of income from various sources and percentage of expenditures for various purposes.

Total Groups

For all groups together there were only moderate changes in income and expenditure patterns during the period.

Income from Tuition and Fees moved from 50% to 52%.

Other income increased by three percentage points--from 17.5% to 20.5%.

Income from Gifts and Income from Investments each declined by about 2%.

Expenditures for Administration and General were at 20% or 21% of Total Expenditures throughout the period.

Library and Plant Operations expenditures stayed at 15%.

Student Aid expenditures increased from 10.5% to 12.5%.

Expenditures for Instruction declined from 54% to 51%.

Group I

Percentage of Income from three sources--Tuition, Gifts, and Investment--all dropped slightly during the period. The one item that increased was Other income, coming largely from the net of Sponsored Research income over Sponsored Research expenditures, which increased significantly during the period.

It is noted that Group I received a much lower (around 40%) percentage of income from Tuition than the other groups and a much higher percentage from Other Sources (around 30%).

On the expenditure side the only significant changes were a three and one half percent decrease in expenditures for Instruction and a similar increase in Student Aid expenditures.

Group II

This group received a higher percentage (70%) of Total income from Tuition than all but Group VI. There was very little change in the percentage of income received from each source during the period.

The only notable changes in expenditures were a slight increase in Administration and General and a slight decline in Instructional expenditures.

There were significant differences in expenditure patterns between Group I and Group II with Group II devoting 12%-14% more of its expenditures to Administration and General and about the same percentage less for Instruction. Further, at the end of the period, Group II had a smaller percentage of expenditures for Student Aid than Group I (15% compared to 10%).

There was a remarkable similarity in expenditure patterns among Groups II, III, and IV. All were around 30% for Administration and General expenditures, 45% for Instruction, 10% for Student Aid, and 15% for Library and Plant Operations.

Group III

Group III showed the greatest change in income patterns during the period. Income from Tuition increased from 55% to 63% while income from Gifts and Grants declined from 25% to 18%. Group III, then, was the group whose reliance on Tuition and Fees income increased the most during the period.

Expenditure patterns changed very little during the period.

Group IV

Like Group III Tuition increased substantially while Gifts declined. Other income also declined.

Again, expenditure patterns changed very little during the period.

Group V

This group followed the general trend toward greater reliance on Tuition as a source of income.

Expenditure levels for Instruction and Administration and General were fairly steady through the period but percentage of expenditure for Student Aid increased substantially while expenditures for Library and Plant Operations declined.

As compared to Groups II, III, and IV this group expended around 8% more of its income for Administration and General and about 5% less for Instruction during the five year period.

Group VI

This group is unique because of its very great reliance on Tuition and Fees. In 1968-69, 86% of income came from this source. Obviously, none of the other sources was very significant except that Gifts and Grants did comprise 9% of Total Income in 1968-69. Funds allocated to Student Aid were just about one-third the percentage spent for this purpose by most of the other groups.

EDUCATIONAL INCOME AND EXPENDITURE DATA

Percentage of Income from Various Sources
Percentage of Expenditures for Various Purposes

GROUP TOTAL

	1964-65	1965-66	1966-67	1967-68	1968-69
INCOME					
Tuition & Fees	50.4	51.1	49.9	50.1	51.9
Gifts & Grants	22.1	22.5	20.3	19.8	19.6
Investment Income	9.9	9.1	9.3	8.9	7.9
Other	17.7	17.3	20.4	21.1	20.4
EXPENDITURES					
Administration & General	20.3	20.5	20.8	20.9	21.4
Instruction	54.1	53.5	53.2	52.1	51.3
Library & Plant Operations	15.1	14.9	14.7	14.4	14.7
Student Aid	10.5	11.1	11.3	12.6	12.6

EDUCATIONAL INCOME AND EXPENDITURE DATA

Percentage of Income from Various Sources
Percentage of Expenditures for Various Purposes

GROUP I

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69
Tuition & Fees	40.9	42.3	38.4	37.4	38.9
Gifts & Grants	21.5	21.6	19.5	19.3	19.9
Investment Income	12.9	12.1	11.9	11.6	10.1
Other	24.7	24.1	30.1	31.6	31.1
EXPENDITURES					
Administration & General	14.8	14.9	14.8	14.6	14.4
Instruction	60.3	59.3	59.3	56.9	56.8
Library & Plant Operations	13.6	13.5	13.4	13.4	14.1
Student Aid	11.3	12.3	12.5	15.1	14.8

GROUP II

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69
Tuition & Fees	68.3	69.1	69.3	69.9	70.4
Gifts & Grants	20.4	19.2	18.9	19.8	19.9
Investment Income	3.7	3.4	4.4	3.1	3.2
Other	7.7	8.4	7.4	7.3	6.8
EXPENDITURES					
Administration & General	26.8	26.8	26.4	28.6	29.8
Instruction	45.9	45.8	45.4	44.9	43.8
Library & Plant Operations	17.4	17.4	17.3	16.6	15.9
Student Aid	10.1	10.2	10.9	10.0	10.4

EDUCATIONAL INCOME AND EXPENDITURE DATA

Percentage of Income from Various Sources
Percentage of Expenditures for Various Purposes

GROUP III

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69
Tuition & Fees	55.2	52.8	59.3	61.4	63.1
Gifts & Grants	25.1	29.1	21.2	19.4	17.7
Investment Income	13.8	12.5	14.8	15.4	14.8
Other	5.8	5.6	4.7	3.7	4.8
EXPENDITURES					
Administration & General	25.2	26.5	28.1	26.8	27.1
Instruction	46.2	46.2	44.9	46.0	44.9
Library & Plant Operations	18.9	17.3	17.1	16.8	17.1
Student Aid	9.6	9.9	9.9	10.4	10.9

GROUP IV

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69
Tuition & Fees	58.7	59.2	59.1	61.5	66.1
Gifts & Grants	26.2	26.6	26.6	25.1	22.4
Investment Income	1.1	1.1	0.8	0.7	0.6
Other	13.9	13.1	13.4	12.7	11.0
EXPENDITURES					
Administration & General	31.2	30.1	30.6	29.6	31.0
Instruction	44.6	44.9	45.3	46.7	45.9
Library & Plant Operations	14.6	15.4	14.7	14.3	13.6
Student Aid	9.6	9.5	9.4	9.4	9.4

EDUCATIONAL INCOME AND EXPENDITURE DATA

Percentage of Income from Various Sources
Percentage of Expenditures for Various Purposes

GROUP V

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69
Tuition & Fees	56.9	52.7	58.8	63.3	63.6
Gifts & Grants	17.1	25.9	20.0	16.7	16.6
Investment Income	3.6	3.1	3.2	3.9	5.3
Other	22.1	18.2	17.7	16.2	14.7
EXPENDITURES					
Administration & General	35.9	34.7	36.6	37.2	37.7
Instruction	40.1	41.0	40.8	40.8	39.1
Library & Plant Operations	19.3	18.5	15.8	13.7	14.4
Student Aid	4.8	5.7	6.8	8.3	8.9

GROUP VI

INCOME	1964-65	1965-66	1966-67	1967-68	1968-69
Tuition & Fees	87.1	89.4	86.3	83.3	86.2
Gifts & Grants	5.9	5.0	7.3	7.7	9.1
Investment Income	1.4	1.6	1.6	1.4	1.4
Other	5.5	4.1	4.8	7.7	3.2
EXPENDITURES					
Administration & General	27.6	30.5	30.5	36.3	36.3
Instruction	53.4	54.3	53.7	48.7	46.9
Library & Plant Operations	17.5	13.3	13.6	11.9	13.1
Student Aid	1.4	2.1	2.4	3.1	3.5

OPERATING INCOME AND EXPENDITURES

A comparison of Total Operating Income and Expenditures patterns for the period 1964-69 with those of the preceding five year period shows little change for most of the groups.

For the Total Groups Operating Income increased less than Operating Expenditures during the period 1964-69 (13.6% to 14.1%). Only Group II had a greater increase in Operating Income than in Operating Expenses.

Two items are included in Operating Income and Expenditures that are not a part of Educational Income and Expenditures. One is Auxiliary Income and Expenditures and the other, Sponsored Research Income and Expenditures.

For the Total Groups both Auxiliary Income and Auxiliary Expenditures increased at a much more rapid rate during the period 1964-69 than during the preceding five years (about 17.5% annually compared to 7.5%). However, this was due almost entirely to the fact that Stanford University assumed full fiscal responsibility for the functioning of the Stanford Hospital in 1968-69 and this added approximately $21 million to Auxiliary Operations. Without this sizeable addition, the rate of increase for the Total Groups for the two five year periods would be about the same.

For the period 1964-69 Auxiliary Expenditures grew at a faster rate than Auxiliary Income. This was true for each of the groups. Thus there was a substantial reduction in the net income from Auxiliary Operations that institutions use to help meet educational costs.

Sponsored Research Income and Expenditures increased only half as fast during the 1964-69 period as during the preceding five years. But the annual rate of increase was still significant. Further, Sponsored Research Income increased at a faster rate than Research Expenditures (11.8% to 9.2%) which meant an increase in the net income from this source.

For the five year period 1964-69 the increased net income from Research more than balanced the drop in net income from Auxiliary Operations. However, net income from Research was significant only for Group I. Further, Group I experienced an 8% drop in net income from this source during the last year covered by the study.

OPERATING INCOME AND EXPENDITURE DATA – (000's) (In Dollars)

GROUP TOTAL

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
INCOME						
Tuition & Fees	75,803	89,557	99,333	112,541	131,946	15.0
Gifts & Grants	28,504	33,952	33,380	36,900	40,849	9.4
Investment Income	14,836	15,888	18,466	19,996	20,164	8.0
Other	10,784	11,422	14,733	14,221	21,379	18.6
Student Aid	4,641	5,599	7,025	7,650	9,023	18.1
Auxiliary Enterprises	44,107	48,907	53,938	57,396	81,622	16.6
Sponsored Research	64,601	74,534	90,691	102,049	101,155	11.8
Total	243,276	279,859	317,566	350,753	406,138	13.6
EXPENDITURES						
General	12,047	14,133	17,245	19,359	21,998	16.2
Administration	17,634	20,211	23,588	27,119	32,007	16.1
Instruction	78,964	89,703	104,246	115,465	129,310	13.1
Library	7,181	8,418	10,311	11,956	13,254	16.6
Plant Operations	14,377	16,325	17,989	19,678	23,506	12.9
Student Aid	15,292	18,585	22,172	27,991	31,716	20.0
Subtotal	145,495	167,375	195,551	221,568	251,791	14.7
Auxiliary Enterprises	41,207	46,444	51,344	54,618	78,966	17.6
Sponsored Research	52,484	59,138	68,270	72,749	74,568	9.2
Total	239,186	272,957	315,165	348,935	405,325	14.1

OPERATING INCOME AND EXPENDITURE DATA – (000's) (In Dollars) **GROUP I**

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
INCOME						
Tuition & Fees	34,234	40,785	42,386	46,383	54,397	12.2
Gifts & Grants	15,924	18,262	18,893	21,080	24,647	11.5
Investment Income	10,843	11,586	13,086	14,448	14,195	6.9
Other	7,631	7,556	10,514	9,780	15,963	20.2
Student Aid	2,113	2,570	2,655	2,911	2,995	9.1
Auxiliary Enterprises	18,161	19,688	21,694	23,122	46,163	26.2
Sponsored Research	60,679	70,511	86,505	96,785	94,954	11.8
Total	149,585	170,958	195,733	214,509	253,314	14.0
EXPENDITURES						
General	4,620	5,569	6,348	7,439	8,130	15.1
Administration	7,754	8,565	9,793	10,519	11,791	11.0
Instruction	50,411	56,527	64,831	70,319	78,464	11.7
Library	4,066	4,711	5,944	6,837	7,665	17.2
Plant Operations	7,263	8,151	8,690	9,755	11,853	13.0
Student Aid	9,456	11,698	13,710	18,522	20,453	21.3
Subtotal	83,570	95,221	109,316	123,391	138,356	13.4
Auxiliary Enterprises	17,470	19,387	21,418	22,910	45,369	26.9
Sponsored Research	48,372	55,111	64,112	67,524	68,306	9.0
Total	149,412	169,719	194,846	213,825	252,031	14.0

OPERATING INCOME AND EXPENDITURE DATA – ('000's) (In Dollars)

GROUP II

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
INCOME						
Tuition & Fees	16,316	19,219	22,840	27,590	32,700	19.0
Gifts & Grants	3,901	4,275	4,375	5,649	6,351	12.9
Investment Income	880	945	1,447	1,252	1,490	14.0
Other	1,625	1,857	1,894	2,284	2,906	15.6
Student Aid	981	1,027	1,858	2,096	2,959	31.7
Auxiliary Enterprises	11,072	12,433	13,240	13,886	14,491	6.9
Sponsored Research	3,094	3,245	3,440	4,507	5,006	12.8
Total	37,869	43,001	49,094	57,264	65,903	14.9
EXPENDITURES						
General	2,105	2,258	2,917	3,433	3,938	16.9
Administration	4,404	5,003	5,683	7,774	10,042	22.9
Instruction	11,193	12,495	14,793	17,687	20,524	16.3
Library	1,476	1,716	2,064	2,534	2,837	17.7
Plant Operations	2,752	3,040	3,577	3,945	4,628	13.9
Student Aid	2,443	2,780	3,571	3,940	4,902	19.0
Subtotal	24,373	27,292	32,605	39,313	46,871	17.7
Auxiliary Enterprises	10,685	11,944	12,730	13,354	14,150	7.3
Sponsored Research	3,284	3,249	3,412	4,467	5,067	11.4
Total	38,342	42,485	48,747	57,134	66,088	14.5

OPERATING INCOME AND EXPENDITURE DATA – (000's) (In Dollars)

GROUP III

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
INCOME						
Tuition & Fees	11,231	12,682	14,255	15,603	17,352	11.5
Gifts & Grants	4,099	5,810	3,726	3,413	3,067	15.0
Investment Income	2,803	3,007	3,579	3,924	4,060	9.7
Other	690	1,047	994	780	1,262	16.3
Student Aid	1,013	1,190	1,378	1,528	1,774	15.0
Auxiliary Enterprises	7,182	7,965	8,808	9,285	9,580	7.4
Sponsored Research	745	673	593	623	946	6.2
Total	27,763	32,374	33,333	35,156	38,041	8.2
EXPENDITURES						
General	2,006	2,649	3,262	3,286	3,716	16.6
Administration	2,271	2,597	3,065	3,256	3,630	12.4
Instruction	7,834	9,141	10,105	11,232	12,178	11.6
Library	695	848	923	1,033	1,151	13.5
Plant Operations	2,144	2,423	2,561	2,787	3,278	11.2
Student Aid	1,636	1,969	2,237	2,557	2,934	15.7
Subtotal	16,586	19,627	22,153	24,151	26,887	12.8
Auxiliary Enterprises	6,690	7,674	8,689	9,115	9,573	9.3
Sponsored Research	745	673	593	624	946	6.2
Total	24,021	27,974	31,435	33,890	37,406	11.6

OPERATING INCOME AND EXPENDITURE DATA – (000's) (In Dollars)

GROUP IV

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
INCOME						
Tuition & Fees	10,386	12,680	15,035	17,443	21,010	19.2
Gifts & Grants	4,734	5,678	6,525	7,066	7,142	10.8
Investment Income	206	230	209	209	193	-1.5
Other	702	815	1,142	1,137	1,041	10.3
Student Aid	496	744	1,004	966	1,105	22.1
Auxiliary Enterprises	6,388	7,450	8,163	8,800	8,956	8.8
Sponsored Research	83	105	122	107	223	28.0
Total	22,995	27,702	32,200	35,728	39,670	14.5
EXPENDITURES						
General	2,685	2,898	3,788	3,902	4,659	14.8
Administration	2,713	3,431	4,140	4,503	5,301	18.2
Instruction	7,705	9,411	11,725	13,251	14,761	17.7
Library	809	970	1,172	1,297	1,315	12.9
Plant Operations	1,680	2,236	2,561	2,642	3,002	15.6
Student Aid	1,663	1,995	2,436	2,661	3,027	16.2
Subtotal	17,255	20,941	25,822	28,256	32,065	16.7
Auxiliary Enterprises	5,421	6,412	6,836	7,408	7,722	9.3
Sponsored Research	83	105	122	107	223	28.0
Total	22,759	27,458	32,780	35,771	40,010	15.1

OPERATING INCOME AND EXPENDITURE DATA – (000's) (In Dollars)

GROUP V

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
INCOME						
Tuition & Fees	938	1,119	1,366	1,545	1,743	16.7
Gifts & Grants	280	541	438	352	387	8.4
Investment Income	59	67	79	95	144	25.0
Other	38	77	86	112	95	30.1
Student Aid	7	8	26	54	68	81.0
Auxiliary Enterprises	946	979	1,095	1,153	1,216	6.5
Sponsored Research	184	328	529	443	565	32.3
Total	2,452	3,119	3,619	3,754	4,219	14.5
EXPENDITURES						
General	239	282	326	347	426	15.8
Administration	194	245	353	439	480	25.4
Instruction	483	623	758	861	941	18.1
Library	73	96	104	114	122	13.7
Plant Operations	160	185	190	175	226	9.0
Student Aid	58	87	126	176	215	38.7
Subtotal	1,207	1,518	1,857	2,112	2,410	18.9
Auxiliary Enterprises	657	706	822	917	1,000	11.1
Sponsored Research	146	291	478	396	477	34.4
Total	2,010	2,515	3,157	3,425	3,887	17.9

OPERATING INCOME AND EXPENDITURE DATA – (000's) (In Dollars)

GROUP VI

INCOME	1964-65	1965-66	1966-67	1967 68	1968-69	AVERAGE ANNUAL INCREASE (%)
Tuition & Fees	2,698	3,072	3,451	3,977	4,744	15.1
Gifts & Grants	153	112	186	271	379	25.4
Investment Income	45	53	66	68	82	16.2
Other	98	70	103	128	112	3.3
Student Aid	31	60	104	95	122	40.8
Auxiliary Enterprises	358	392	938	1,150	1,216	35.7
Sponsored Research	--	--	--	--	--	--
Total	3,383	3,759	4,848	5,689	6,655	18.5
EXPENDITURES						
General	392	477	604	952	1,129	30.3
Administration	298	370	554	628	763	26.5
Instruction	1,338	1,506	2,034	2,115	2,442	16.2
Library	62	77	104	141	164	27.5
Plant Operations	378	290	410	374	519	8.2
Student Aid	36	56	92	135	185	50.5
Subtotal	2,504	2,776	3,798	4,345	5,202	20.0
Auxiliary Enterprises	284	321	849	914	1,152	41.9
Sponsored Research	--	--	--	--	--	--
Total	2,788	3,097	4,647	5,259	6,354	22.8

ASSETS AND FUND BALANCES

This 1970 Statistical Study includes data on fund balances in addition to data on income and expenditures collected in the previous study. Together, the two types of information provide a more complete picture of the fiscal condition of individual institutions and groups of institutions. The problem with looking at income and expenditures alone is that institutions may avoid the appearance of a deficit at the end of the year by transferring money from an existing fund or may create an apparent deficit by transfers to such funds.

In this study we are interested in the beginning-year and end-year balances in each of the significant funds of an institution: Current Funds (General and Restricted); Endowment Funds; Loan Funds; Life Income Contracts; Plant Funds, including physical assets; and Total Assets.

How much should the various funds increase each year for an institution to maintain financial health?

There are no exact answers to this question but it would seem that the Current Funds balance should increase nearly as fast as Total Educational Expenditures in order to maintain a satisfactory level of operating money.

This has not happened. In fact, for the Total Groups the annual rate of increase in the Current Funds balance during 1964-69 was 3.4% as compared to a 14.5% annual increase in Total Educational Expenditures and an 8.8% increase in Educational Expenditures per FTE.

Clearly, a major portion of income that in former years went to maintaining Current Funds balances is now being use to meet educational costs.

How much should the Endowment Funds balance increase each year to keep pace with rising educational costs?

While Total Education Expenditures increased at a rate of 14.5% annually during the last five years, Total Endowment increased at a lesser rate, 10.3%, but Income from Endowment (Investments) grew at just 7.8% per year. It would appear that in order for Income from Endowment to grow as fast as Educational Expenses next year, Total Endowment Funds would need to be increased immediately by over 16%--$80 million.

However, against this need for faster growth in Endowment Funds there was a sharp decline in growth during the last year covered by the study--4.6% for the Total Groups compared to the five year average of 10.3%.

Again it seems clear that some funds that in former years would have gone to building Endowment Funds instead were swallowed up by mounting educational costs. This appears to apply particularly to Group I.

About the only bright spot in the endowment picture is the rapid growth in Life Income Contract funds experienced by Groups I, III, and IV and to some extent, Group II. Prospectively, almost all these funds may be added to Endowment Funds at some time in the future if they are not immediately consumed by educational expenses at the time they become available. But until they can be converted to endowment or cash they provide no income for the institution that holds them.

Loan Funds for all groups together increased at the rapid rate of 23% annually during the period, a substantially faster growth than any other fund.

It should be quickly noted, however, that most of the money involved does not belong to colleges and universities--over 70% is Federal dollars made available for institutional use on a nine-to-one matching basis. Further, the great majority of the money is not in college hands but has loaned to students, subject to repayment.

The value of these funds is that they have permitted students to attend college who otherwise could not have met the costs and, just as important, they have permitted the institutions to make greater increases in their tuition charges. Thus, student loan funds should be recognized for the part they play in helping institutions maintain financial health.

Students are depending on loans to a greater degree than ever before. In fact, Loan Funds increased at almost twice the rate of Tuition Income during the five year period. But how much more will students be willing or able to borrow?

The data indicate the same slow-down in the case of Loan Funds as is observed in the growth of most of the other funds. The growth increase during each of the last two years has been less than the five year average for each of the groups but Group III.

How much growth in the Plant Fund balance is desirable?

Since so much of Plant Funds are made up of the value of the physical assets of an institution, the answer to this question depends largely on the adequacy of the existing physical plant.

The data on physical capacity presented in another section of this report indicate that almost all institutions have adequate capacity for present enrollment and that many institutions have space for additional enrollment. Therefore, it appears that, in general, plant expenditures have kept pace with space needs. However, there is evidence that more money should have been spent for maintenance of plant and for purchase of equipment and library books.

Growth in Total Assets again reflects the slow-down in the growth of the various funds. For all groups except Group III the five year average growth rate was higher than the growth during the last year covered by the study. Group III ran counter to the trend because of a substantial addition in Life Income Contracts that year. The final year figures for Groups IV and V give cause for alarm. In the case of Group IV there was a slight dollar decline in Plant Funds and Current Funds during the final year. For Group V Total Assets actually declined in value in the last year reflecting the decline during the same year in Loan Funds and in Total Endowment.

ASSETS

GROUP TOTAL

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
FUND BALANCES						
Current Funds						
General	87,496	87,292	91,957	88,001	96,619	2.4
Restricted	72,707	77,025	82,673	90,226	86,973	4.5
Endowment Funds	326,838	365,081	417,165	463,263	484,713	10.3
Life Income Funds	61,249	70,977	78,094	88,035	120,829	18.5
Loan Funds	18,954	24,502	30,585	37,140	43,698	23.2
Plant Funds, including Physical Assets	498,910	560,263	650,117	730,625	805,055	12.6
TOTAL	1,066,154	1,185,140	1,350,591	1,497,290	1,637,887	11.3
PLANT DEBT	80,139	108,672	127,974	140,300	145,192	15.9

ASSETS **GROUP I**

FUND BALANCES	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
Current Funds						
General	63,331	59,792	60,431	59,904	66,751	1.2
Restricted	59,529	61,638	62,614	67,972	64,185	1.7
Endowment Funds	245,574	272,950	309,840	342,881	351,673	9.4
Life Income Funds	30,341	37,251	40,135	47,008	53,079	14.9
Loan Funds	9,073	11,421	14,315	16,408	18,972	20.2
Plant Funds, including Physical Assets	256,031	282,988	320,169	351,857	394,978	11.4
TOTAL	663,879	726,040	807,504	886,030	949,638	9.4
PLANT DEBT	26,559	27,341	26,888	32,155	31,267	4.2

ASSETS

GROUP II

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
FUND BALANCES						
Current Funds						
General	6,835	7,933	10,850	10,991	13,223	17.9
Restricted	2,957	6,495	9,493	10,787	10,389	36.9
Endowment Funds	20,978	24,165	34,636	37,135	40,573	17.9
Life Income Funds	3,017	3,510	3,910	3,575	3,867	6.4
Loan Funds	4,668	6,250	7,707	9,224	10,975	23.8
Plant Funds, including Physical Assets	93,474	109,808	132,355	154,509	168,987	15.8
TOTAL	131,929	158,161	198,951	226,221	248,014	17.1
PLANT DEBT	28,719	49,183	61,821	66,819	69,576	24.7

ASSETS

GROUP III

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
FUND BALANCES						
Current Funds General	6,389	9,013	8,356	3,912	4,167	-7.6
Restricted	8,801	7,032	8,052	9,053	9,549	2.2
Endowment Funds	54,010	60,936	65,290	74,562	82,900	11.3
Life Income Funds	25,585	27,588	30,559	32,870	58,719	23.0
Loan Funds	2,426	2,798	3,466	5,249	6,475	27.7
Plant Funds, including Physical Assets	83,896	95,760	117,187	134,983	151,790	15.9
TOTAL	181,107	203,127	232,910	260,629	313,600	14.7
PLANT DEBT	6,408	9,392	12,724	12,933	13,999	21.5

ASSETS **GROUP** IV

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
FUND BALANCES						
Current Funds General	10,312	9,757	10,687	10,914	10,108	0.5
Restricted	1,164	1,445	1,879	1,944	2,266	18.1
Endowment Funds	5,132	5,744	6,286	6,492	7,408	9.5
Life Income Funds	2,306	2,628	3,490	4,582	5,164	22.3
Loan Funds	2,647	3,745	4,726	5,713	6,710	26.2
Plant Funds, including Physical Assets	62,552	68,283	76,097	83,278	82,771	7.2
TOTAL	84,113	91,602	103,165	112,923	114,427	8.0
PLANT DEBT	17,665	21,900	24,651	26,208	28,514	12.6

* Data reported for 14 of 19 colleges in group.

ASSETS **GROUP V**

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
FUND BALANCES						
Current Funds						
General	142	199	143	203	224	11.9
Restricted	49	116	185	150	261	51.9
Endowment Funds	270	299	330	1,108	908	35.4
Life Income Funds	-	-	-	-	-	-
Loan Funds	93	231	293	424	386	42.7
Plant Funds, including Physical Assets	1,538	1,869	2,196	2,457	2,490	12.8
TOTAL	2,092	2,714	3,147	4,342	4,269	19.5
PLANT DEBT	644	598	1,491	1,686	1,467	22.8

* Data reported for 3 of 7 colleges in group.

ASSETS **GROUP VI**

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
FUND BALANCES						
Current Funds						
General	487	598	1,490	2,077	2,146	44.9
Restricted	207	299	450	320	323	11.8
Endowment Funds	874	987	783	1,085	1,251	9.4
Life Income Funds	-	-	-	-	-	-
Loan Funds	47	57	78	122	180	39.9
Plant Funds, including Physical Assets	1,419	1,555	2,113	3,541	4,039	29.8
TOTAL	3,034	3,496	4,914	7,145	7,939	27.1
PLANT DEBT	144	258	399	499	369	26.5

CAPACITY FOR ADDITIONAL STUDENTS

Most of the California independent colleges and universities plan to increase their enrollment in the years ahead. However, their ability to achieve continuing growth will be determined largely by two factors: money and space.

The purpose of this section of the report is to examine the financial and physical capacity of these institutions to accommodate additional students.

Financial Capacity

Financial capacity for enrollment may be estimated by projecting past income and expenditure trends into future years. This is the method used in this study. It shows how many students an institution can accommodate one, two, or five years from now if present trends continue. The method also can be used to determine how much more income an institution or a group of institutions would need in order to increase enrollment at a given level, i.e., 2% or 4% annually.

The calculations below illustrate the method by examining the financial capacity to accommodate students of all 50 AICCU institutions, considered as one group. In this example, enrollment capacity is estimated for the 1969-70 year based on income and expenditure trends of the previous five years. The shortcoming of this approach is recognized in that surplus dollars in one institution can not be transferred to another that has a deficit. Also, in a year when an institution is able to generate more income than it needs to maintain existing enrollment the institution may elect to use part of its additional funds for some other purpose than adding enrollment. It may choose to pay off a previous year's deficit or choose to build up the endowment fund, an action generally neglected in recent years.

Educational Income	Amount 1968-69 (in 000's)	Average Percent Increase 1964-69	Estimated Amount 1969-70 (in 000's)
Tuition & Fees	$136,369	9.0*	$148,642
Gifts	51,418	10.7	56,920
Investment	20,649	7.8	22,260
Other	52,761	18.1	62,311
Total	$258,452		$290,133
Educational Expenditures	259,872	8.8*	282,741
			$ 7,392

*per FTE

Thus, $7,392,000 would be available for adding additional students, when all 50 institutions are considered as a group.

If the net cost of adding one FTE student is assumed to be $1,600 (the difference between the average educational expense per FTE and the average amount a student pays in tuition and fees) then the $7,392,000 would permit 4,620 additional FTE students to be enrolled in the 1969-70 academic year, an increase of approximately 5.4%. (It is interesting to note that the FTE increase for the 1969-70 year was actually 5,200 FTE as compared to the 4,620 suggested by the above calculations.)

Another approach to estimating financial capacity is to make projections on the basis of the percentage increases that occurred between 1968 and 1969 instead of using the average increases in the various income sources of the five year period, 1964 to 1969. On this basis all institutions together would be able to enroll 3,892 additional students instead of 4,620.

It is clear that the present financial capacity of institutions to add students was achieved largely by the very substantial increases in tuition charges made in recent years by these institutions. What would the situation be if tuition increases were limited to the average annual increase in general personal income, say 6%, instead of the 9% and 12.5% per FTE increases of recent years? The answer is that with only a 6% increase in tuition income but with other sources increasing at the 1968-69 rate, there would have been no financial capacity for additional students this year, when all institutions are considered as one group. Indeed, under these circumstances the group of institutions would have needed at least $2-1/2 million more income simply to maintain the previous year's enrollment.

It must be recognized that at some point in time institutions are forced to limit their increase in charges to an amount approximating the increase in general personal income. Otherwise, they will not be able to attract a sufficient number of students unless there are substantial increases in scholarship funds.

When the method of analysis described above is applied to the individual groups, a somewhat different picture emerges. This is due to the wide variations among groups in cost-per-student and in the percentage of that cost covered by tuition and fees.

The table below suggests that a large portion of the financial capacity for additional students is located in Groups V and VI, the groups with the smallest enrollment. In one sense this is accurate because these two groups have the smallest differential between FTE educational expenditures and FTE tuition income. But the figures below greatly overstate actual capacity because they do not take into account available physical facilities or how rapidly institutions can grow. Actually, both groups together would be doing well to absorb as many as 800 additional students in one year.

Financial Capacity to Accommodate Additional Students

	Projections Based on 5-year (1964-69) Average Increases in Each of the Four Income Sources	Projections Based on 1968 to 1969 Average Increases in Each of the Four Income Sources	Projections Based on 1968 to 1969 Average Increases With a 6% Per FTE Maximum on Tuition Increases
Group I	1,300	712	--
Group II	1,737	497	--
Group III	--	211	--
Group IV	--	713	--
Group V	700	1,000	849
Group VI	2,180	3,440	1,680
Total Students	5,917	6,373	2,529

Comparison of Educational Expense and Educational Income

In order to permit more intensive study of financial capacity to accommodate enrollment, educational expense and educational income have been calculated for each member institution. The following table provides the picture for the 1968-69 year. The earlier Statistical Profile study showed that 19 of 42 institutions had deficits in 1966-67. In 1968-69 the number had increased to 21 of 43.

The cost of education per student is based on costs of instruction, library, administration, and general plant maintenance, and student aid. It excludes sponsored research and auxiliary enterprises.

For the purposes of this analysis, institutions were placed into three categories, A, B, and C, according to the classification method developed by Levin and Osman in their recent study "Alternative Methods of State Support for Independent Higher Education in California."[1]

Then, because it contained so many institutions, Category C was divided into three parts, actually groups IV, V, and VI in the AICCU classification scheme.

The Levin and Osman categories arrange institutions primarily according to the average Scholastic Aptitude Test (SAT) scores of their entering freshmen.

Tuition and Fees Charges

A table showing the Total Tuition and Fees charge for each member institution for each year 1964 through 1970 follows the table on Educational Income and Expenditures per FTE.

Again, the institutions are arranged according to the Levin and Osman categories.

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1. Alternative Methods of State Support for Independent Higher Education in California, Henry M. Levin and Jack W. Osman, Coordinating Council for Higher Education, February 1970.

EDUCATIONAL INCOME AND EXPENDITURES PER FTE
BY INSTITUTION - 1968-69

Institutions are identified by letters in the left hand column. The top line for each institution shows educational income and expenditures in thousands of dollars. The bottom line for each institution shows educational income and expenditures per FTE in dollars.

Institution and FTE	Tuition & Fees Income	Gift Income	Investment Income	Other Income	Educational Income	Educational Expenditures	FTE* Surplus	FTE* Deficit
Category A								
a 1,467	3,067 2,091	8,583 5,851	3,167 2,159	4,129 2,815	18,946 12,916	18,632 12,701	215	
b 11,106	22,058 1,986	12,748 1,148	11,419 1,028	19,856 1,788	66,081 5,950	66,581 5,995		45
c 792	1,433 1,809	387 489	358 452	98 124	2,276 2,874	2,310 2,917		43
d 609	958 1,573	742 1,218	742 1,218	60 99	2,502 4,108	2,965 4,868		760
e 343	655 1,910	649 1,892	156 455	225 656	1,685 4,913	1,694 4,939		26
f 657	1,129 1,718	362 551	65 99	89 135	1,645 2,503	1,765 2,686		183
g 1,298	2,434 1,875	1,024 789	990 763	-14 -11	4,434 3,416	4,591 3,537		121
h 522	964 1,847	367 703	525 1,006	- 4 - 8	1,852 3,548	1,883 3,607		59
i 777	1,353 1,741	750 965	616 793	194 250	2,913 3,749	2,949 3,795		46
j 1,732	3,364 1,942	596 344	584 337	386 223	4,930 2,846	4,803 2,773	73	
k 1,585	2,793 1,762	624 394	577 364	5 3	3,999 2,523	3,995 2,521	2	
l 2,049	3,227 1,575	116 57	189 92	330 161	3,862 1,885	2,998 1,463	422	
Total Category A 22,328	42,477 1,902	26,206 1,174	18,646 835	25,974 1,163	113,303 5,074	112,201 5,025	49	

*Difference between Educational Income per FTE and Educational Expenditures per FTE.

EDUCATIONAL INCOME AND EXPENDITURES PER FTE
BY INSTITUTION - 1968-69

Institutions are identified by letters in the left hand column. The top line for each institution shows educational income and expenditures in thousands of dollars. The bottom line for each institution shows educational income and expenditures per FTE in dollars.

Institution and FTE	Tuition & Fees Income	Gift Income	Investment Income	Other Income	Educational Income	Educational Expenditures	FTE Surplus	FTE Deficit
Category B								
m 15,864	29,272 1,845	6,311 398	1,409 89	18,920 1,193	55,912 3,525	52,831 3,330	195	
n 2,578	3,409 1,322	964 374	5 2	674 261	5,052 1,959	5,045 1,957	2	
o 427	511 1,197	128 300	0 0	117 274	756 1,771	693 1,623	148	
p 2,399	4,776 1,991	200 83	0 0	724 302	5,700 2,376	5,851 2,439		63
q 3,835	7,006 1,827	904 236	104 27	890 232	8,904 2,322	9,148 2,385		63
r 5,027	5,773 1,148	845 168	71 14	189 38	6,878 1,368	7,182 1,429		61
s 4,276	5,908 1,382	1,086 254	125 29	656 153	7,775 1,818	7,733 1,808	10	
Total Category B 34,406	57,613 1,675	11,180 325	2,456 71	22,230 646	93,479 2,717	91,448 2,658	59	

EDUCATIONAL INCOME AND EXPENDITURES PER FTE
BY INSTITUTION - 1968-69

Institutions are identified by letters in the left hand column. The top line for each institution shows educational income and expenditures in thousands of dollars. The bottom line for each institution shows educational income and expenditures per FTE in dollars.

Institution and FTE	Tuition & Fees Income	Gift Income	Investment Income	Other Income	Educational Income	Educational Expenditures	FTE Surplus	FTE Deficit
Category C Group IV								
t 809	975 1,205	527 651	13 16	160 198	1,675 2,070	1,569 1,939	131	
u 1,470	1,446 984	1,216 827	3 2	129 88	2,794 1,901	2,703 1,839	62	
v 970	1,513 1,560	525 541	4 4	187 193	2,229 2,298	2,495 2,572		274
w 2,309	3,608 1,563	436 189	25 11	154 67	4,223 1,830	4,226 1,830	-	-
x 798	749 939	630 789	5 6	180 226	1,564 1,960	1,580 1,980		20
y 391	652 1,668	214 547	9 23	83 212	958 2,450	1,068 2,731		281
z 513	435 848	346 674	18 35	96 187	895 1,744	1,018 1,984		240
aa 650	937 1,442	637 980	1 2	191 294	1,766 2,718	2,119 3,260		542
bb 731	1,145 1,566	124 170	10 14	45 62	1,324 1,812	1,318 1,803	9	
cc 2,743	4,870 1,775	4,086 1,490	443 162	70 26	9,469 3,453	8,930 3,256	197	
dd 1,064	1,061 997	253 238	0 0	421 396	1,735 1,631	1,883 1,770		139
ee 984	1,220 1,240	449 456	13 13	251 255	1,933 1,964	1,502 1,526	438	
ff 1,895	3,256 1,718	899 474	51 27	112 59	4,318 2,278	4,291 2,264	14	
gg 962	1,278 1,328	332 345	41 43	310 322	1,961 2,038	2,021 2,101		63
hh 606	738 1,218	569 939	0 0	-37 -61	1,270 2,096	1,397 2,305		209
ii 768	1,086 1,414	271 353	0 0	228 297	1,585 2,064	1,613 2,100		36
Sub-Total Category C Group IV	24,969 1,413	11,514 652	636 36	2,580 146	39,699 2,247	39,733 2,249	9	

EDUCATIONAL INCOME AND EXPENDITURES PER FTE
BY INSTITUTION - 1968-69

Institutions are identified by letters in the left hand column. The top line for each institution shows educational income and expenditures in thousands of dollars. The bottom line for each institution shows educational income and expenditures per FTE in dollars.

Institution and FTE	Tuition & Fees Income	Gift Income	Investment Income	Other Income	Educational Income	Educational Expenditures	FTE Surplus	FTE Deficit
Category C Group V								
jj 526	921 1,751	54 103	104 198	148 281	1,227 2,333	936 1,779	554	
kk 324	266 821	304 938	5 15	56 173	631 1,947	606 1,870	77	
ll 67	96 1,433	53 791	18 269	91 1,358	258 3,851	224 3,343	508	
mm 524	460 878	44 84	17 33	104 198	625 1,193	646 1,233		40
Sub-Total Category C Group V 1,441	1,743 1,209	455 316	144 100	399 277	2,741 1,902	2,412 1,674	228	
Category C Group VI								
nn 2,078	1,398 673	185 89	13 6	27 13	1,623 781	1,570 756	25	
oo 134	289 2,157	188 1,403	0 0	44 328	521 3,888	490 3,657	231	
pp 1,960	2,406 1,228	80 41	42 21	85 43	2,613 1,333	2,399 1,224	109	
qq 586	651 1,111	48 82	27 46	21 36	747 1,275	741 1,264	11	
Sub-Total Category C Group VI 4,758	4,744 997	501 105	82 17	177 37	5,504 1,156	5,200 1,093	63	
Total Category C 23,862	31,456 1,318	12,470 523	862 36	3,156 132	47,944 2,009	47,345 1,984	25	

TUITION AND FEES CHARGES

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	Percentage Annual Increase 1964-65 to 1969-70
Category A							
California Institute of Technology	$1,597	$1,847	$1,847	$1,847	$2,162	$2,162	6.2
Stanford University	1,410	1,575	1,575	1,770	1,920	2,145	8.7
Claremont Men's College	1,420	1,570	1,570	1,770	1,785	2,015	7.2
Harvey Mudd College	1,460	1,660	1,680	2,000	2,000	2,380	10.3
Pitzer College		1,515	1,675	1,775	1,795	2,175	9.4
Pomona College	1,475	1,565	1,675	1,775	1,902	2,106	7.3
Scripps College	1,480	1,480	1,580	1,675	1,880	2,110	7.3
Mills College	1,595	1,595	1,755	1,755	1,935	2,040	5.0
Occidental College	1,470	1,551	1,701	1,704	1,913	2,110	7.5
University of Redlands	1,270	1,421	1,423	1,625	1,630	1,827	7.5
Whittier College	1,185	1,220	1,310	1,310	1,454	1,550	5.4
Category B							
University of Southern California	1,243	1,525	1,524	1,530	1,846	1,846	8.2
Loyola University	1,115	1,115	1,265	1,325	1,425	1,532	6.5
United States International University	1,221	1,221	1,470	1,470	1,659	1,959	9.9
University of the Pacific (College of the Pacific)	1,395	1,545	1,650	1,786	1,926	2,140	8.9
University of San Francisco	896	960	1,072	1,072	1,232	1,232	6.5
University of Santa Clara	1,200	1,200	1,404	1,410	1,620	1,725	7.5
Category C Group IV							
Azusa Pacific College	952	895	1,049	1,149	1,311	1,277	6.0
Biola College	680	880	923	1,100	1,100	1,350	14.6
Calif. College of Arts and Crafts		770	980	980	1,210	1,210	11.9
Calif. Lutheran College	1,150	1,220	1,323	1,448	1,563	1,643	7.3
Chapman College	1,072	1,082	1,289	1,289	1,501	1,506	7.0
College of Holy Names	700	700	700	1,050	1,050	1,250	12.3
College of Notre Dame	770	875	875	975	1,100	1,200	9.2
Dominican College of San Rafael	750	755	850	850	950	1,050	7.0

TUITION AND FEES CHARGED

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	Percentage Annual Increase 1964-65 to 1969-70
Immaculate Heart College	$ 824	$ 995	$1,100	1,230	$1,480	$1,480	12.4
La Verne College	1,050	1,160	1,270	1,370	1,520	1,680	9.9
Loma Linda University (Col.of Arts & Science)	950	950	980	1,206	1,350	1,400	8.0
Marymount College	850	1,100	1,100	1,100	1,290	1,535	12.5
Mt. St. Mary's College	900	900	1,000	1,080	1,080	1,080	3.7
Pacific Union College	920	956	1,010	1,215	1,350	1,410	8.9
Pasadena College	1,020	1,020	1,018	1,035	1,146	1,287	4.7
Pepperdine College	992	1,120	1,120	1,280	1,440	1,600	10.0
Saint Mary's College	1,053	1,027	1,127	1,149	1,342	1,677	9.7
San Francisco College for Women	875	875	900	900	1,100	1,230	7.0
Univ. of San Diego, College for Men	860	855	954	1,078	1,290	1,360	9.6
Univ. of San Diego, College for Women		970	1,070	1,100	1,100	1,320	8.0
Westmont College	1,173	1,250	1,422	1,539	1,539	1,680	4.3
Category C Group V							
Calif. Baptist College	689	850	850	870	872	1,112	10.0
Menlo College		1,250	1,400	1,500	1,650	1,850	10.3
Pacific College		660	750	800	835	948	9.4
Pacific Oaks College		800	800	1,000	1,000	1,000	5.7
St. John's College	719	715	720	720	720	720	-
St. Patrick's College	220	220	220	550	550	945	33.8
Southern Calif. College	644	744	854	1,079	1,004	1,127	11.8
Category C Group VI							
Golden Gate College		586	592	663	663	758	6.6
Monterey Institute of Foreign Studies	935	1,130	1,230	1,230	1,240	1,440	9.0
Northrop Institute of Technology		855	855	945	1,065	1,176	6.6
San Francisco Art Institute		770	900	1,200	1,200	1,200	11.6

	Median Tuition and Fees				Average Percentage Increase 1964-65 to 1969-70	Average Percentage Increase 1967-68 to 1968-69	Average Percentage Increase 1968-69 to 1969-70
	1964-65	1967-68	1968-69	1969-70			
Category A	$1,460	$1,770	$1,902	$2,110	7.6	7.5	10.9
Category B	1,210	1,440	1,639	1,785	8.0	13.8	8.9
Category C							
Group IV	875	1,100	1,290	1,360	9.2	17.3	5.4
Group V	744	870	872	1,000	6.1	0.2	14.7
Group VI	813	1,073	1,133	1,188	7.7	5.6	4.9

Physical Capacity

The following table shows for 1968-69 the number of hours classrooms were scheduled each week (8:00 a.m. to 10:00 p.m., Saturday excluded) and the number of additional students that could be accommodated if the classrooms were used 30 hours per week.

Although the standards developed in 1966 for the public segments of higher education[1] called for 34 hours per week use of classrooms (8:00 - 5:00 M-F) and the Restudy standards[2] called for 36 hours per week, actual usage was closer to 30 hours.

The type of information furnished by the participating institutions and used in the various computations is shown below. All meetings (laboratories, studios, independent study, etc.) were included in the student load reported by the colleges but only the number of classrooms was given; therefore, colleges in which students were heavily involved in using laboratory or other non-classroom physical facilities would appear to have greater classroom utilization than is the case.

If the utilization was less than 30 hours per week, a computation was made assuming this higher level of use in order to determine the number of additional students that could be accommodated. These results are shown in the second column of the table.

1. Space Utilization Study, California Public Higher Education, Coordinating Council for Higher Education, No. 1027, September 1966.
2. A Restudy of the Needs of California in Higher Education, T. R. McConnell, T. C. Holy and H. H. Semans, California State Department of Education, Sacramento 1955.

Method Used for Determining Student Capacity

A Number of Students (FTE)

B Student Class Load

C Average Class Size

D Total Number of Hours All Classes Meet (per week)

$$\text{i.e., } \frac{A.\,B.}{C}$$

E Number of Classrooms

F Numbers of Hours Each Room is Used Per Week

$$\text{i.e., } \frac{D}{E}$$

Institutions Using Classrooms Less Than 30 Hours Per Week

1968-69

(Institutions Identified by Letter)

	Number of Hours Each Classroom is Used Per Week	No. of Extra Students That Could be Accommodated if Classrooms Were Used 30 Hours Per Week
A	19	846
B	10	1,695
C	25	372
D	29	25
E	12	1,288
F	18	906
G	22	270
H	10	938
I	13	686
J	26	142
K	18	754
L	18	711
M	10	919
N	22	311
O	14	635
P	12	146
Q	21	205
R	28	144
		10,933

The eighteen institutions listed above could accommodate 10,993 more students (an average of 611 each) without building more classrooms or increasing average class size. For fourteen additional institutions the data indicate classroom use in excess of 30 hours per week. Three other colleges state that they have reached their enrollment limits. If we assume that the fifteen remaining institutions could accommodate students in the same proportion as the 35 covered in this particular study, then some 5,000 more students could be added. This would mean existing physical capacity in AICCU institutions for approximately 16,000 more students. This would represent a substantial increase (14.5%) over present enrollment in AICCU institutions.

Although the institutions indicated that laboratories, practice rooms, studios, etc. were in reasonable balance with classrooms, it should be remembered that this analysis is for classroom use only. Also, increased enrollments would require additional expenditures for a variety of purposes, e.g., additional faculty and staff, office space, library resources, and parking and auxiliary enterprises.

Conclusion

The findings in this section on financial capacity and physical capacity should be regarded as tentative and experimental. Additional work is required to devise more precise methods for estimating both types of capacity. Also, procedures for relating financial capacity to physical capacity need to be developed. Finally, the new methods and procedures should be applied to each institution individually while taking into account the institution's own plans for growth. With these steps it will be possible to make valid projections concerning the capacity of independent institutions to accommodate additional students.

The conclusion about capacity that can be stated at this time is as follows:

Overall, independent institutions have adequate physical space to accommodate additional students; they will have financial capacity to maintain present enrollment levels as long as they are able to raise tuition charges fast enough to keep up with increases in educational expenses; they will have financial capacity for additional students only to the extent that they can obtain more funds than needed to keep up with the expense of maintaining present enrollment.

STATE SCHOLARSHIP PROGRAM

The statistical analysis beginning on page 76 brings together several types of related data concerning admission of undergraduate students.

This table provides clear evidence of a number of previously recognized statistical tendencies and cause-effect relationships.

Institutions with high average Scholastic Aptitude Test (SAT) scores for entering freshmen (the Category A institutions in the Levin and Osman study) tend to enroll a relatively small percentage of their applicants.

These same institutions tend to have a higher percentage of State Scholarship winners among their California-resident undergraduate students.

Category A has grown less in enrollment than the other two categories. It has also had a smaller percentage growth in number of State Scholars, partly because it began the period with a much larger base.

Expansion of the Scholarship Program in recent years has had the most effect on the Category B institutions. Category B added 1,000 more Scholarship winners than Category A during the five year period and also had the most growth in total enrollment. This is not the only data that indicates that the greater the increase in State Scholars the greater the increase in total enrollment.

It seems certain that there is more room for Scholarship winners in both Category A and Category B institutions. It would appear that many institutions ultimately could reach an enrollment of State Scholarship winners equal to 30% of their California-resident students. The total is not likely to rise much above that figure even with expansion of the State Scholarship program. The reason for this is that many students do not have sufficient economic need to qualify for such scholarships and also some students receive other awards which make them ineligible.

The independent college share from further expansion of the State Scholarship program might be distributed rather evenly among Categories A, B, and C. But partly because of more rapid increase in total enrollment (past and anticipated) the largest portion of the additional Scholarship winners probably would enroll in Category B institutions.

With more awards available the State Scholarship Program might give Category B institutions and many of those in Category C the kind of economic boost they need to be able to take more students. This is because with more scholarships available, such institutions would be able to keep tuition charges more in line with rapidly rising educational expenditures. Added income permits a college to finance a larger enrollment.

INCREASES IN UNDERGRADUATE ENROLLMENT AND IN STATE SCHOLARS
FOR VARIOUS TIME PERIODS BY INSTITUTION

Institution	Total Full-Time Undergraduates 1969-70	Percent Increase 1964-65 to 1969-70	Percent Increase 1967-68 to 1969-70	Total State Scholars 1969-70	Percent Increase 1964-65 to 1969-70	Percent Increase 1967-68 to 1969-70	Percent California Undergrads 1969-70	Number California Undergrads 1969-70	Percent California Undergrads With State Scholarships 1969-70	Median Scholastic Aptitude Test (SAT) Score 1969-70	Percent Freshmen Applicants Enrolled 1969-70
Category A											
a	757	14	4	136	16	19	28	212	64	1,446	18.3
b	6,221	9	4	714	55	42	53	3,297	22	1,400	
c	818	37	8	153	151	47	66	540	28	1,240	24.3
d	377	29	30	104	3	35	64	241	43	1,340	23.7
e	661	332	22	66	-	78	65	430	15	1,140	23.2
f	1,277	12	-2	211	15	8	60	766	28	1,359	
g	519	43	8	64	129	73	55	285	22	1,170	36.4
h	750	4	6	58	38	61	43	323	18	1,177	29.6
i	1,703	16	6	420	43	40	69	1,175	36	1,275	
j	1,606	20	13	275	131	72	87*	1,357*	20*	1,175	
k	2,094	20	8	155	87	118	78	1,633	9	1,040	
Total Category A	16,783	18	6	2,355	58	44	60	10,058	23	1,240	
Category B											
l	7,888	22	4	885	166	73	90*	7,099*	12*	1,121	
m	1,562	1	17	335	126	139	92	1,437	23	1,085	47.8
n	2,194	91	50	90	275	67	90*	1,975*	5*		
o	2,591	34	2	370	330	101	90*	2,332*	16*	1,060	
p	3,814	59	6	497	373	64	82	3,127	16	1,070	38.2
q	3,211	45	14	647	225	59	90	2,890	22	1,109	37.9
Total Category B	21,260	37	12	2,824	216	76	89	18,860	15	1,078	

INCREASES IN UNDERGRADUATE ENROLLMENT AND IN STATE SCHOLARS
FOR VARIOUS TIME PERIODS BY INSTITUTION

Institution	Total Full-Time Undergraduates 1969-70	Percent Increase 1964-65 to 1969-70	Percent Increase 1967-68 to 1969-70	Total State Scholars 1969-70	Percent Increase 1964-65 to 1969-70	Percent Increase 1967-68 to 1969-70	Percent California Undergrads 1969-70	Number California Undergrads 1969-70	Percent California Undergrads With State Scholarships 1969-70	Median Scholastic Aptitude Test (SAT) Score 1969-70	Percent Freshmen Applicants Enrolled 1969-70
Category C Group IV											
r	734	62	9	23	-	475	78	573	4	36.7**	
s	1,268	28	8	111	1,750	311	64	812	14	975	36.7
t	1,160	103	63	15	1,400	200	85*	986*	2*	-	
u	969	43	14	81	523	161	91	882	9	953	56.8
v	1,480	163	18	82	242	122	85*	1,258*	7*	1,004	
w	548	-5	1	51	82	76	92	504	10	1,048	61.2
x	318	-5	-26	21	-12.5	31	91	289	7	945	
y	317	-35	-37	14	-39	-21	93	295	5		67.7
z	413	-8	-3	68	31	79	93	384	18	1,010	
aa	624	42	26	36	260	177	92	574	6	958	44.7
bb	571	97	79	116	1,557	1,188	92	525	22		
cc	1,768	26	22	83	8,300	108	87	1,538	5	891	76.4
dd	643	-33	-37	83	82	60	96	617	13	1,009	56.1
ee	1,649	55	17	149	116	96	84	1,385	11		
ff	985	16	1	66	843	144	81	798	8		90.1
gg	933	-0.6	2	51	467	142	74	690	7		
hh	911	7	5	142	100	129	94	856	17	1,060	55.6
ii	497	-3	-4	9	-31	13	82	407	2	921	
jj	550	111	40	47	1,075	571	92*	506*	9*	1,016	
kk	409	-8	11	51	122	122	92*	376*	14*	984	47.8
ll	828	52	22	127	338	195	78	646	20	1,063	10.0
Total Category C Group IV	17,575	29	9	1,426	211	144	85	14,944	10	975	

INCREASES IN UNDERGRADUATE ENROLLMENT AND IN STATE SCHOLARS
FOR VARIOUS TIME PERIODS BY INSTITUTION

Institution	Total Full-Time Undergraduates 1969-70	Percent Increase 1964-65 to 1969-70	Percent Increase 1967-68 to 1969-70	Total State Scholars 1969-70	Percent Increase 1964-65 to 1969-70	Percent Increase 1967-68 to 1969-70	Percent California Undergrads 1969-70	Number California Undergrads 1969-70	Percent California Undergrads With State Scholarships 1969-70	Median Scholastic Aptitude Test (SAT) Score 1969-70	Percent Freshmen Applicants Enrolled 1969-70
Category C Group V											
mm	556	33	17	18	500	260	71	395	5		41.3
nn	541	9	5	7	700	250	81	438	2		39.1
oo	286	38	1	32	967	191	84	240	13	942	63.0
pp	56	367	300	0	0	-	98	55	0		
qq	178	-54	-31	28	87	8	87	336	8		
rr	190	-24	-13	9	800	125	92*	175*	5*		
ss	460	35	6	21	2,100	1,100	85*	391*	5*		
Total Category C Group V	2,267	7	6	115	423	135	90	2,030	6		
Category C Group VI											
tt	516	78	29	1	100	100	95	490	0.2		61.0
uu	78	105	67	1	100	-	75*	59*	2*		
vv	1,926	72	7	29	480	123	42	809	4		34.7
ww	529	100	28	6	600	500	64	339	2		44.3
Total Category C Group VI	3,049	78	14	37	640	147	56	1,697	2		
Grand Total	60,934	29	9	6,757	136	74	78.2	47,589	14.2		

*Estimated

STUDENT CHARACTERISTICS

The preceding section of this report dealing with the State Scholarship Program includes data on several student characteristics:

1. Percentage of California resident undergraduate students by institution and by category of institution (A, B, and C).
2. State Scholarship winners by institution and by category.
3. Median Scholastic Aptitude Test (SAT) scores by institution and by category.

Data on number of foreign students and on the ethnic background of students were also collected from 35 member institutions representing 54% of the total AICCU full-time enrollment.

Summary of findings for 1969-70 academic year:

1. Percentage of full-time undergraduate students who are California residents (all institutions): 78.2%
2. Percentage of all (graduate and undergraduate) full-time students from foreign countries (35 institutions): 5.4%
3. Percentage of all full-time students with Spanish surnames, excluding foreign students (35 institutions): 3.3%
4. Percentage of all full-time students who are Black, excluding foreign students (35 institutions): 4.6%
5. Percentage of all full-time students who are American Indians (35 institutions): 0.6%
6. Percentage of all full-time students who are Oriental, excluding foreign students (35 institutions): 4.7%
7. Percentage of California resident full-time undergraduate students who hold State Scholarships (all institutions): 14.2%

DEGREES

The percentage of increase in 4-year degrees during the period corresponds to the increase in full-time undergraduates. The increase in Master's degrees parallels the increase in full-time graduate students. These two relationships apply generally for the total groups and for each of the groups individually.

As with enrollment, the increase in graduate degrees awarded was about twice the undergraduate rate.

Both Group I and Group II showed a very substantial increase in Doctoral degrees.

Group II led all the groups in rate of average annual increase in 4-year degrees, Master's degrees, and Doctoral degrees.

DEGREE DATA

GROUP TOTAL

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
2-Year Degrees	223	247	230	269	260	10.5
4-Year Degrees	9,280	9,589	10,113	10,669	11,167	4.7
Master's Degrees	4,318	4,547	5,036	5,688	5,918	8.2
Doctor's Degrees	724	808	947	1,071	1,223	14.0
Professional						
Medicine	189	206	206	211	200	1.3
Dentistry	132	136	141	155	162	5.3
Law	451	547	568	657	702	11.7
Pharmacy	107	99	97	120	112	1.0
GRAND TOTAL	15,424	16,179	17,338	18,840	19,744	6.4

DEGREE DATA

GROUP I

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
2-Year Degrees						
4-Year Degrees	3,325	3,216	3,323	3,324	3,267	-0.3
Master's Degrees	3,310	3,256	3,563	4,050	3,940	4.4
Doctor's Degrees	682	748	875	943	1,047	11.3
Professional						
Medicine	111	117	118	128	131	4.2
Dentistry	89	95	84	104	99	2.6
Law	252	298	290	278	269	1.5
Pharmacy	107	99	97	120	112	1.0
GRAND TOTAL	7,876	7,829	8,350	8,947	8,865	2.9

DEGREE DATA

GROUP II

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
2-Year Degrees						
4-Year Degrees	1,556	1,828	1,993	2,326	2,516	12.8
Master's Degrees	507	715	715	879	1,065	20.4
Doctor's Degrees	41	57	71	125	175	43.7
Professional						
Medicine	78	89	88	83	69	-2.6
Dentistry	43	41	57	51	63	10.0
Law	164	217	231	313	343	20.2
Pharmacy						
GRAND TOTAL	2,392	2,953	3,163	3,783	4,246	15.4

DEGREE DATA

GROUP III

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
2-Year Degrees	38	42	42	38	51	7.6
4-Year Degrees	1,804	1,902	1,951	2,188	2,185	4.9
Master's Degrees	160	195	248	278	317	18.6
Doctor's Degrees						
Professional						
Medicine						
Dentistry						
Law						
Pharmacy						
GRAND TOTAL	2,003	2,142	2,242	2,507	2,554	6.2

DEGREE DATA

GROUP IV

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
2-Year Degrees	55	46	55	62	52	-1.3
4-Year Degrees	1,899	1,986	2,105	2,074	2,378	5.7
Master's Degrees	275	283	387	329	367	7.4
Doctor's Degrees						
Professional						
Medicine						
Dentistry						
Law						
Pharmacy						
GRAND TOTAL	2,229	2,315	2,547	2,465	2,797	5.8

DEGREE DATA

GROUP V

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
2-Year Degrees	92	117	99	119	105	2.9
4-Year Degrees	206	241	279	310	328	12.3
Master's Degrees	6	5	5	6	2	-13.6
Doctor's Degrees						
Professional						
Medicine						
Dentistry						
Law						
Pharmacy						
GRAND TOTAL	304	363	383	435	435	9.4

DEGREE DATA

GROUP VI

	1964-65	1965-66	1966-67	1967-68	1968-69	AVERAGE ANNUAL INCREASE (%)
2-Year Degrees	35	36	26	44	37	1.3
4-Year Degrees	490	416	462	447	493	0.1
Master's Degrees	60	93	118	146	227	39.4
Doctor's Degrees						
Professional						
Medicine						
Dentistry						
Law	35	32	47	66	90	26.6
Pharmacy						
GRAND TOTAL	620	577	653	703	847	8.1

FACULTY RANKS, SALARIES, AND DEGREES

Information about faculty ranks and faculty degrees was collected for 35 institutions in Groups II through VI. At least half the institutions in each group are included in the sample.

Information about faculty salaries was collected for 29 of 36 institutions in Groups II, III, and IV.

All information is for the 1969-70 year.

The data show that Group III has the highest ratio of full-time to part-time faculty (89-11). Groups II and IV are next, each with a ratio of 70-30. Group V has a ratio of 59-41. The ratio for Group VI is 34-66. A smaller proportion of full-time faculty members would be expected in these special-purpose institutions.

Among the full-time faculty, Groups II and III have the highest percent of Ph. D's -- 62% and 61% respectively, followed by Group IV with 46%, and Groups VI and V with 33% and 32%. The Ph. D. is the degree most frequently held by faculty members in the Group II and III institutions, and the Master's degree for those in Groups IV, V, and VI.

In each group represented, that is, II through VI, the most commonly held rank is Assistant Professor and the least common is Instructor.

Number and Percent of Full-Time and Part-Time Faculty Members

	Full-Time		Part-Time		
	Number	Percent	Number	Percent	Total
Group II	1,112	70	479	30	1,591
Group III	663	89	82	11	745
Group IV	952	70	404	30	1,356
Group V	84	59	59	41	143
Group VI	99	34	193	66	292

Distribution of Full-Time Faculty
by Ranks and Degrees
1969-70

	Prof.		Assoc.		Asst.		Instr.		Other		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
GROUP II												
Ph.D.	249	36	192	28	209	30	37	5	-	-	687	62
Masters	35	10	76	21	176	49	73	20	2	.05	362	32
Bachelors	-	-	-	-	23	36	32	51	8	12	63	6
None	-	-	-	-	-	-	-	-	-	-	-	-
Total	284	25	268	24	408	37	142	13	10	.01	1,112	100
GROUP III												
Ph.D.	164	40	118	29	125	31	0	-	0	-	407	61
Masters	19	9	47	23	66	32	76	37	0	-	208	31
Bachelors	1	.02	1	.02	11	23	29	62	5	11	47	7
None	0	-	0	-	0	-	1	100	0	-	1	-
Total	184	28	166	25	202	30	106	16	5	.08	663	99
GROUP IV												
Ph.D.	161	37	145½	34	119½	28	8	.02	-	-	434	46
Masters	16	.03	94	19	245	50	131	27	3	.01	489	51
Bachelors	-	-	2	.07	6	22	16½	60	3	.11	27½	3
None	-	-	-	-	-	-	-	2	2	100	2	-
Total	177	19	241½	25	370½	39	155½	16	8	.08	952½	100
GROUP V												
Ph.D.	15	56	6	22	3	11	-	-	3	11	27	32
Masters	-	-	12	23	25	48	9	17	6	12	52	62
Bachelors	-	-	-	-	-	-	63	60	2	40	5	6
None	-	-	-	-	-	-	-	-	-	-	-	-
Total	15	18	18	21	28	33	12	14	11	13	84	100
GROUP VI												
Ph.D.	6	18	14	42	7	21	5	15	1	.03	33	33
Masters	4	10	8	20	15	38	-	-	13	33	40	40
Bachelors	3	14	4	18	9	41	-	-	6	27	22	22
None	-	-	-	-	-	-	-	-	4	100	4	4
Total	13	13	26	26	31	31	5	.05	24	24	99	99

Concerning salary, Group III institutions pay the highest maximum, average, and minimum rates at the Professor and Instructor ranks, and with the Group II institutions, pay the highest rates at the Associate Professor and Assistant Professor ranks.

There is some overlap between the Professor and Associate Professor ranks and considerable overlap in salaries between the Associate and Assistant Professor ranks.

Average Salaries
Full-Time Faculty
1969-70

	Group II	Group III	Group IV
Professor			
Maximum	$19,320	$20,270	$14,533
Average	15,628	16,776	13,194
Minimum	12,935	14,269	11,658
Associate Professor			
Maximum	15,166	14,829	12,703
Average	12,720	12,856	11,271
Minimum	10,913	10,999	9,865
Assistant Professor			
Maximum	12,862	12,821	11,020
Average	10,449	10,431	9,336
Minimum	8,723	9,164	8,074
Instructor			
Maximum	9,627	10,160	8,922
Average	8,643	9,016	7,799
Minimum	7,393	8,022	7,118